

LABOUR & DEMOCRACY
IN
THE UNITED STATES

By
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PREFACE

I GATHERED most of the material for this book while spending two years in the U.S.A. as a Commonwealth Fund Fellow. The extremely generous allowances made by the Fund enabled me to travel into most of the States of the Union, and to interview labour leaders, business men, and governmental agencies at work, while during academic terms I attended the lecture courses delivered in the University of Chicago by the two well-known experts on American labour problems, Professors Millis and Douglas. To the teaching of these two and to the Commonwealth Fund my primary thanks are therefore due. Many sections of this book are heavily indebted to what I learned in Chicago and to my conversations with Americans throughout the country. For the rest, I have drawn mainly upon the raw material of official reports, newspapers, and journals, chiefly the following: Reports of the National Resources Committee; statistical publications of the Departments of Labor and Agriculture; Findings of the LaFollette Senatorial Sub-Committee on industrial espionage; Press releases and the annual Reports of the National Labor Relations Board, and of the Railway Mediation Board; journals of the leading trades unions, especially of the United Mine Workers, Amalgamated Clothing Workers, International Ladies' Garment Workers, International Brotherhood of Electrical Workers, Brotherhood of Railway Clerks; publications of the American Federation of Labor (proceedings of annual conventions, *News*, pamphlets, and the *American Federationist*) and of the Committee for Industrial Organisation (*News* and pamphlets); the *Harvard Business Review*, the *Nation*, the *New Republic*, and the *New York Times*. For the benefit of British readers, however, I add below a select bibliography of authoritative books which cover certain aspects of the problems touched upon in the following pages. For reading all or part of my manuscript, and giving me invaluable advice upon it, I wish to thank Professor Selig Perlman, Professor G. C. Allen, Dr. Allan McPhee, Dr. G. G. Leybourne, Dr. C. D. Campbell, and my father.

PREFACE

"History of Trade Unionism in the U.S.A."	Selig Perlman.
"Theory of the Labor Movement."	Selig Perlman.
"Trade Unionism in the U.S.A."	Hoxie.
"Principles of Labor Legislation."	Commons and Andrews.
"The Great Steel Strike and its Lessons."	W. Z. Foster.
"Misleaders of Labor."	W. Z. Foster.
"History of the I.W.W."	Brissenden.
"Dynamite."	Louis Adamic.
"Our Benevolent Feudalism."	W. J. Ghent, 1902.
"An American Experiment."	Hugh Jones and Radice, 1936.
"Readings in Trade Unionism."	D. J. Saposs.
"Left Wing Unionism."	D. J. Saposs.
"The American Federation of Labor."	Lorwin and Wubnig.
"C.I.O."	R. Walsh.
"The Coming of a Third Party."	Paul Douglas.
"Labor and Politics."	Carroll.

Immediately after the Table of Contents the reader will find a glossary of abbreviated expressions without which it is impossible to read or write anything about the U.S.A. and which could not be kept out of the text. Finally, thanks are due to the Oxford University Press for kind permission to quote in Chapter I from George Korson's "Minstrels of the Mine Patch."

K. W.

University of Liverpool.
June, 1939.

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The two traditional parties have been collections of cliques. Voting for individuals has therefore been the natural form of political activity for the only trade union group which has been able to survive in the U.S.A., the A.F. of L. Even when pro-labour laws have been passed, the courts have tended to emasculate their administration. The A.F. of L. has therefore relied primarily on industrial action. Estrangement from Socialists and other progressive elements has been inevitable, but none the less unfortunate.

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The leaders of a labour movement had to look to Roosevelt to break down traditional obstacles on their behalf. A number of measures desired by the A.F. of L. were passed, in particular the Social Security Act. The average man, however, had a varying experience as a result of New Deal legislation, and has tended to judge Roosevelt's intentions mainly by reference to the N.R.A. and its Codes. These failed unless supported by strong unions, and the prestige rather than the substance of organised labour was advanced by the N.R.A.

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In 1933 only about 10% of America's workers were members of unions, which chiefly existed outside the main stream of industrial life. The outbreak in 1934 of labour militancy began to decline by 1935, while bogus (or company) unions increased at a far greater rate than the A.F. of L. unions. The reason was partly the strong anti-labour offensive of the employers, partly the out-of-date tactics of the Federation itself.

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The constitution and leadership of the Federation show why it was beginning to throw away the opportunity offered by the New Deal. The Executive Council of the Federation had little power over the independent sovereignties of the constituent unions and could not co-ordinate them into a powerful organising drive. Jurisdictional conflict among the individual unions had always been bitter. The machinery of the Federation was as old-fashioned in its decentralisation as that of the U.S.A. itself. Industry, however, and the ownership of property had become increasingly centralised and concentrated, and huge corporations can only be met on equal terms for purposes of collective bargaining by trade unions as centralised and powerful. But the jealousies of the old leadership stood in the way. The A.F. of L. failed to plan a national strategy, and to train union leaders.

Section III. The Committee for Industrial Organisation (C.I.O.).

From 1933 onwards the progressive group in the A.F. of L. strove to commit the Federation to a policy of wide, industrial unionism. Matters came to a head in 1935, and the progressives were forced to go on without the rest of the Federation. They therefore inaugurated the C.I.O., hoping to work within the A.F. of L. The die-hards of the Executive Council, however, knowing that the forces of the progressives might soon outnumber the rest, displace themselves, and alter their policies, took the formation of the C.I.O. as a challenge, and declared it a dual movement, the supreme heresy and crime against organised labour. The rift between the two bodies has widened, so far without excessive harm to their joint cause. The A.F. of L. has been forced to broaden its unions out of competition, and the die-hards have been thrust into the arms of the C.I.O.'s enemies. The danger of this split will be felt in the political sphere.

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Section II. The Work of the Administration.

Two governmental agencies have cleared the way for the spread of union organisation and activity: the LaFollette Committee on industrial espionage and repression of civil liberty, and the N.L.R. Board. An analysis of their working, and results. A powerful minority of employers has made up its mind to evade obeying the Board, and its future is in doubt. The Supreme Court, warned by Roosevelt's court-reforming campaign, has largely upheld the N.L.R. Act and begun to validate his legislation. The reactionaries in both parties held up his programme in 1937, and largely during 1938, thus convincing him that traditional party considerations must be placed second to the programme itself which, strongly supported by reformers and labour, cuts across party alignments.

Section III. Counter-Attack from the Right.

The new tactics of evasion employed by the enemies of Roosevelt and the labour movement; control over the Press. Rand's Formula sums up the use of these tactics. Through the close network of employers' associations the small minority carries an undue influence over other employers. Important elements at the base of European Fascism, exist in the U.S.A. and permanent nuclei of Fascism are operating there. However, there are signs that an organised labour movement is finding increased support from the white-collar worker. The C.I.O. is conscious of the need to forge such links.

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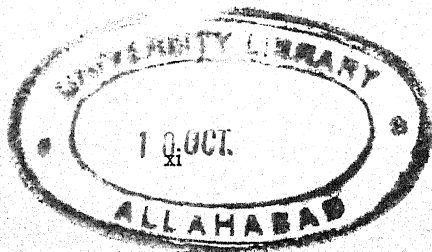
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Action on the political plane has been shown vital to a labour movement in the U.S.A., especially to meet problems like unemployment. Analysis of elections since 1936. A drive against the New Deal is being launched by reactionaries, and against unions and the exercise of civil liberty. How will the progressives go to meet it in 1940?

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GLOSSARY OF ABBREVIATED EXPRESSIONS.

A.A.A.	Agriculture Adjustment Administration.
A.F. of L.	American Federation of Labor.
C.C.C.	Civilian Conservation Corps.
C.I.O.	Committee for Industrial Organisation (later, Congress of Industrial Organisations).
G.M.	General Motors Corporation.
I.L.G.W.U.	International Ladies' Garment Workers' Union.
I.W.W.	Industrial Workers of the World.
N.A.M.	National Association of Manufacturers.
N.I.R.A.	National Industrial Recovery Act.
N.L.R.B.	National Labor Relations Board.
N.R.A.	National Recovery Administration.
S.E.C.	Securities Exchange Commission.
S.T.F.U.	Southern Tenant Farmers Union.
S.W.O.C.	Steel Workers Organising Committee (branch of the C.I.O.)
T.V.A.	Tennessee Valley Authority.
T.W.O.C.	Textile Workers Organising Committee (branch of the C.I.O.)
U.A.W.	United Automobile Workers.
W.P.A.	Works Progress Administration.



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INTRODUCTION.

THE growth of industrial democracy during the last six years in the U.S.A. forms the subject of the following chapters. In all economically developed countries as the size of companies and the concentration of business control reach a certain stage, a new set of problems is posed which a territorial parliament has not in the past been accustomed to face. These problems are so formidable that in some countries, such as Italy, they have got the better of parliament, which, together with other ancient democratic forms, has disappeared. In other societies where these old forms were secured by tougher roots they have survived with the addition of new aids. As for the U.S.A., the situation has presented itself in this shape: the system of government has consisted of a president as head of the executive and appointer, within limits, of the judiciary and two Houses of Congress, all elected by the people and operating within the framework of a written constitution amendable by the people. Each of the forty-eight independent States possesses a government for its internal affairs more or less closely modelled on this plan, while the Federal Government, working within a defined sphere of its own, regulates matters beyond the competence of the individual State. Now, these institutions were based upon three economic assumptions: that workpeople should be free to move to the most satisfactory place of employment they could see; that there existed undeveloped resources rich enough to ensure a constant supply of new investment and therefore demand for new labour; and that free markets combined with the mobility of labour would come near establishing by means of competitive bargaining something like a uniform price for commodities of the same quality and uniform wages for workers of the same skill. In this way the supply and the terms of employment were to a satisfactory extent fixed by general economic conditions. Today, however, these three elements in the situation no longer obtain; they have vanished as

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America's economy has grown up. A lack of new investment robs the country of full employment—somehow this new problem of the out-of-work has to be solved without sapping the ancient roots of democracy. A relatively immobile labour force is at the mercy of giant corporations now no longer controlled by a competitive market, but operating in a state of near-monopoly. Accordingly, the terms of employment have to be fixed in quite a new way: they are negotiated between the company after consultation with its trade associations, and the trade union—one large corporate body bargaining directly with another, representing capital and men scattered through a continent. Somehow democratic procedure has to be worked out whereby this bargaining may be kept fair and its terms be made consistent with the welfare of society as a whole. Formerly the law-enforcement officers, directed by the executive and following rules laid down by a legislature, had only to ensure elementary liberties like freedom of speech, freedom of movement, and freedom of the market, to guarantee a relatively equitable economic system. Today the economic power wielded by great companies or trade unions may easily elude rules devised by parliaments, thus not only upsetting the equitableness of the economic system, but even hindering officers of the law from maintaining those old, elementary liberties. Hence the study of the American labour movement is inseparable from a general inquiry into civil liberty.

One of the most remarkable facts of American history is the length of time which it took the American people to discover that economic processes had evolved sufficiently to need new democratic machinery and the change of attitude it implied. In other words, not until 1933 did Americans seriously settle down to tackle problems which had been already forty years or more in existence. Some interests have therefore had an unfair start over the general public: they have sometimes gone too far, and the need to curb them has only added to the general confusion. In what follows, the first two chapters mention the background and resources from which the country set out, while later chapters survey the road it has successively travelled under Roosevelt's two administrations, and look towards the future. Although the discussion is limited to internal developments—in themselves ample and important

• INTRODUCTION

enough for many volumes—nevertheless it should not be thought that these pages are therefore irrelevant for external or world affairs and lacking in interest for all but the American specialist. At no epoch more than the present have international events depended on the internal policies of nations. Countries feel that their particular political systems and their private ways of life are at stake, and according to the manner of these and the love the people bear them, foreign policies are shaped. It is as a democracy caring for democracy that the U.S.A. has of recent months begun actively to intervene in the war-charged atmosphere of Europe. Whether the U.S.A. herself will survive as a great democracy, and what course she will take at the presidential elections of 1940, must therefore be of the first importance for all mankind. These questions will largely be answered by the revived labour movement which has come to the fore since 1933 and the nature and fortunes of which are studied below.

Although new and so far absorbed for the most part in establishing itself in the face of business interests at home, America's labour movement has already been moved sufficiently by the drift of world affairs to make certain gestures. The resolutions of almost all unions at their recent meetings have made it clear that they strongly support President Roosevelt's stand on international politics. During 1938, for the first time in history, two labour delegates were included among the U.S.A. representatives present at the Pan-American Conference at Lima. Public gestures of friendship and professions of mutual assistance have been made between two of the most powerful labour leaders of Mexico and the U.S.A., while the representatives of some 4 million American unionists in convention last winter passed resolutions endorsing the policy of Secretary Hull towards the South American republics and urging the extension to them of governmental credits with intent to offset the penetration of Germany, Italy, and Japan. During March, 1939, representatives of unions and progressive bodies from almost the whole of the American continent met in Montevideo to exchange information and discuss common problems concerning the universal struggle for industrial democracy. During May American unions were bringing pressure to bear on Congress against the passing of a Bill for the internment in concentration

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camp of aliens without passports from their native lands. The possibilities of influencing world affairs through influence over the American Government which may lie within the power of a strong and democratically-minded American labour movement in alliance with middle-class and rural progressives, can only be estimated when the vast economic power of the U.S.A. is fully realised.

The rapidity of European rearmament since 1933 has only been made possible by supplies of engineering tools, capital goods, oil and other raw materials from the U.S.A. Without American lorries Japan could never have overrun China; without American supplies the Fascist Powers cannot conceivably follow out their programme of speedily overrunning Europe and the Near East, and turning Central Europe into an armed camp. The American market is so vast that many countries could be greatly handicapped were they suddenly shut out from it—the 25% tariff recently erected by the U.S.A. against the entry of German goods is likely in this way to deal a serious blow to Nazi policy. Should America discriminate in her exports, shut herself off almost altogether from world economic intercourse (as she could easily do since only about 10% of her products enter into world trade, so vast is her internal market), or, more important still, should she use her industrial power against any nation, the course she chose could not but be of prime importance in world affairs. The American steel industry, for example, can today produce at capacity 72 million tons of ingots in a year; with her engineering resources this capacity could be increased to 100 million tons within two years. The whole of the rest of the world can produce only 76 million tons in a year. For turning out sheet and strip steel, America possesses continuous mills with 13 million tons' capacity, comparable with which very few can be found throughout the rest of the world. During 1937 Detroit, forced first by strikes, then by industrial recession, to halt production, fabricated 5 million cars; the rest of the world produced slightly over 1.3 million. During that year the U.S.A. produced and consumed a little over two-thirds of the world's supply of oil—with the South American countries she produces four-fifths. As a consumer, the States naturally occupy the key position in industrial raw materials. British and French colonial territories, therefore,

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rely on American purchase of rubber, tin, cocoa, and so on. Whatever else the British and French Empires may plan, they must respect the wishes of that vital market. This enumeration could be carried much further; but sufficient has been said to prove that those who can control the policy of production and consumption in the New World may hold a trump card, if they care to use it, in the game of international politics. How that card will be played depends upon the internal economic and political fortunes of the States themselves, in particular upon the outcome of the struggle for industrial democracy.

At this point it may be well to anticipate a question which naturally rises to the mind when the growth and effectiveness of a powerful labour movement begin to be discussed. As soon as the demands of such a movement become so exigent as to require satisfying, are they not likely to inflict injuries on other factors in the national economy? What has been the precise effect of the advent of powerful unions upon the economic fortunes of America? The theorist can always advance a number of considerations as to trends likely to be set in motion in the nature of our economic systems. But it is quite another matter to separate out in a precise statistical or quantitative manner the changes wrought by union demands. It will be shown that this difficulty applies especially acutely to America because of the many important factors at work in the contemporary situation, all of which may be responsible for a given effect. Moreover, we are in 1939 still too close to the trees to be able to see much of the wood.

However, the following propositions may be advanced for what they are worth. From the point of view of the individual employer, trade unions normally appear restrictive: they may increase his costs, or, without going so far as that, they impose restraints on his liberty to hire and fire, they insist on seniority promotion, they lay down rules to be respected in the conduct of the workshop, and they put a brake on the excessive speed-up of production. The long-run effect of these restrictions is to force the employer, if he is to maintain his old rate of profits, to tighten up his efficiency and his organisation. At the same time, if a union is strong enough, it can bring a number of employers into line—it can, for instance, stamp out cut-throat competition and prevent ruthless firms which

make use of unfair methods from undercutting the better employer and better-class producer. In this way unions stimulate order and efficiency in industry, promote a smoother co-operation between labour and capital, and on the whole reduce the costs which individuals or society would otherwise have to bear if the health, personal efficiency, and length of working life of labourers remained at a lower level than under the regime of collective bargaining. Certain marginal firms would no doubt be driven out of commission in the process, on the other hand, although the loss of the sweatshop is often a positive social gain in a number of directions. A more serious consideration is that in days when competition is very imperfect, industrial efficiency promoted by unions need not be passed on to the consumer in the form of lower prices. Again, since the movement of prices in such a market bears no necessary correlation with movements in costs, wages increased by union pressure are not always reflected in higher prices to the consumer, nor do increased prices reflect of necessity the activities of organised labour. These difficulties, however, have been in evidence in the U.S.A. for decades before the unions began to exert an appreciable effect on costs in general: in other words, imperfect competition there has been due to changes in industrial structure and control in no way connected with a labour movement.

The American economy has been based upon elastic payments in a free market. How far, then, are business depressions and unemployment caused by the inelasticity of wages introduced by union pressure? On the whole, interference with wages has been one of the later objects of American unions. Their first aims are to establish union recognition by the employer, institute workshop rules, and abolish such abuses as truck-payments and various forms of intimidation of community life by the company. Unions like the Knights of Labor have been mainly concerned with promoting social legislation; today, the union must concern itself with representing its members before administrative boards. During the worst depression in American history, that stretching from 1929 to 1933, wages proved somewhat more elastic than other forms of income; yet they did not serve to mitigate the cruelty of this slump. Indeed, there is good reason to suppose that its severity arose from profound economic dislocations of which the failure of wages to be

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forced up by unions after the War so as to keep pace with the rise in other forms of income was one of the most serious. Even before 1929 American employers themselves, whether rightly or wrongly, were beginning to believe that only if a "floor" could be put under wages would slumps be eradicated—only then would the knowledge that purchasing-power could not now sink below a certain level give business men the confidence to maintain a high level of production.*

In the autumn of 1937 the U.S.A. experienced another business setback lasting for close on a year. It is to this period that the student of the effect produced by inelastic, union-supported wages must turn, since here was the first recession in which American labour organisations have been strong enough to make their wishes on the subject of wage rates felt. At the same time, the employers' and the Government's belief in supporting popular purchasing power was so strong that they were only too willing to fall in with the contentions of the unions. Here, then, was a situation surely unparalleled in any country—workers, Government, and employers conspiring to maintain wage rates while the volume of national production shrank, and unemployment soared.

On closer inspection, however, the behaviour of American wage rates does not seem to have been a prime factor either in initiating or in defining the length of the slump. It was preceded by a period of rising prices due mainly to international rearmament and the speculative boom in metals and raw materials which accompanied it. Thus, while general retail prices stood in mid 1937 at 9% above mid 1936, construction costs had risen 18% over the same period. According to the National Industrial Conference Board, the index of cost of life rose 3% during January and February, 1937, while the price of clothing went up 9%. The business recession took its origin in March, when the buying of consumption goods began to fall off—in particular that of clothing and boots and shoes—for the simple reason that the rise in prices had outrun the very modest wage increases over the same period—average weekly earnings in March, 1937, e.g. remained still slightly below

* "Recent Social Trends" (McGraw-Hill, 1933) noted this belief as growing among business men. By 1939 it had waxed so strong that the *Economist*, January 21, 1939, p. 120, referred to it as the "dogma of purchasing power." Since then it seems to have lost ground a little.

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the same period in 1929. * It is true that the action of trade unions seemed partly responsible for these modest wage increases; but it is very doubtful whether the much greater rise in prices was to any significant extent occasioned by costs elevated by organised labour pressure. It is much truer to say that the presence of trade unions gave large companies, working under conditions of imperfect competition, the excuse to advance their charges to the public.

It was the same deep unbalance in the economic structure of the States which seems to have been at the bottom of the 1937¹ as well as of the 1929 collapse. The broad purchasing power of the masses did not keep pace with price rises, largely because other income receivers were able to secure increasing shares in the receipts of companies. Thus, during 1936 the profits of American companies were about 50% higher than in the previous year, weekly wages rose about 5.5% but dividends, interest, fees, etc., achieved an amplitude between 20% and 25% greater, and many bonus dividends were distributed in reflection of the large sums put back out of profits to company reserves. During 1937, the salaries of wealthy corporation executives² increased at slightly under twice the rate of wage increases. At the same time the weight of bonded debt, still not cut away from the neck of industry, hindered the expansion of investment, notably on the railways, which should have provided a further volume of employment and thus broadened purchasing power. The same was true of agriculture, where the Federal Land Banks were advancing 75% of the cost of farm lands, thereby saddling farmers with 32 million dollars' worth of debt in the first nine months of 1937. Farms changing hands by these means mainly represented lands which had been so heavily in debt in 1929 that foreclosure had been made. Thus, old debts were being paid off by incurring new ones. The *coup de grâce* seems to have been delivered when Roosevelt announced at the beginning of 1937 that he would balance the budget and therefore cut down the number of those receiving Federal relief while out of work.

For other reasons, also, the situation was highly discouraging to

¹ In Chapter 3 the causes of the 1929 slump, including those mentioned in this paragraph, are discussed. See pp. 77 *et seq.*

² The figures of these come from reports of the Securities Exchange Commission.

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new investment. Ever since Roosevelt's inauguration, the hatred he inspired in the average business man and the taxes he imposed on profits and high incomes had served as deterrents to investment. Until 1937, however, these deterrents had been more than offset by other factors. Now, however, they were intensified by Roosevelt's speech in April, 1937, declaring that prices were rising too high (a month after the seeds of the recession were sown), and by the gold scare that followed, while the war in the East was robbing the U.S.A. of an important export market in China, and acute fears of war in Europe depressed the stock market and everybody else from time to time. With a volume of savings tending to swell, then, but outlets of investment which did not display a similar inclination, a movement in the national income was due which in itself would be considered by many economists sufficient to create a recession in business. The length of recession seems to have been defined mainly by three factors: first, the mood of black pessimism which settled upon business men when the stock market collapsed in spectacular fashion in October, 1937. This collapse was inevitable, since the prices of securities had already risen to such heights in discounting falsely a further development of the speculative commodity boom already mentioned that, as in 1929, they were assuming the possibility of companies' earning profits fantastically more than was justified. However, American business pays great attention to the behaviour of the stock exchange—it might almost be said to be dominated by "chart-watchers"—and takes its mood unduly from Wall Street. Next, two events took place which overcame the prevailing pessimism and encouraged new investment: one was the new money pumped into circulation by the Government in the form of augmented unemployment relief, the other was the running down of stocks held by business. Much American business was seriously over-stocked in the spring of 1937 because it had been following the securities market and wrongly discounting a further boom—on June 30 the inventories of 140 large companies were 33% higher than the year before—and it took about a year for the position to be rectified. The most notable characteristic of the years 1937 and 1938, however, was the low rate of new investment on which the American economy was running. For a "consumers' economy" it was natural

that the immediate occasion of the downturn and later upturn of national production, although not the basic cause, was the ebb and flow of Government funds for relief—compression and expansion of consumer's purchasing power which seem closely to have defined the turning-points in the cycle.

The part played in all this by trade union influence on wages seems to have been insignificant. It may be that their pressure to keep wage rates from being cut during the recession shortened it, although they formed only one of several influences in that direction. Had the unions been able to push wages up higher during 1936 and prevent the volume of savings from rising too fast, the recession might have been avoided. On the other hand, in a near-monopolistic market, as wages rise companies can elevate prices, and trade union action may be prevented from influencing the rate of saving. It is interesting to note that spokesmen for American business laid no appreciable blame on the unions as causes of the recession nor on high wages. They vented their wrath on the Government, and swore that it was high taxation and New Deal interference with business conduct which constituted the villains of the piece. Since these villains had been tolerated during business recovery from 1934 to 1937, the diagnosis of the National Association of Manufacturers seems to have been little more than a means of exploiting the prevalent economic distress as a form of pressure on the Government to reduce taxes on profits and high incomes. Needless to say, such measures are hardly calculated to touch the faults that lie deep in the American economic system and threaten it with constant upsets.

It is true that the advent of strong trade unions introduces a new element of inelasticity into an economy. But in the U.S.A. they have merely been a response to prior developments away from free competition—one new "friction," as it were, added to many older ones. As such they may help to force the economic machine more speedily through the stage of transition and uncertainty in which it now labours.

If in the analysis which follows there is a certain amount of probing beneath the surface of contemporary American affairs, let it not be thought that any spirit of irreverence for the institutions of the New World is implied. Compared with the methods

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employed by European Governments in regulating affairs among themselves, the success of the U.S.A. Government in directing a great continent is beyond all praise. Compared with Europe America remains a land of liberty and opportunity, a land whose tradition has been to offer boundless wealth in raw materials to the emigrants from famine and oppression in the Old World. It is because the present state and future health of American society are of such vital importance to us in Europe that we cannot help looking with anxiety upon the details of the American scene, both its light and shade. It is, then, with a due sense of humility that the following analysis is offered.

CHAPTER 1

FROM THE FRONTIER

SECTION 1. POPULATION

FROM the capital city of Washington they govern a country which is a continent not much smaller in area than the whole of Europe put together. New Mexico, not by any means the largest of the forty-eight States which compose the Union, could by itself find ample room for the British Isles within its borders. In the past this vast continent has presented a territory to be developed by the agriculture and industry of new settlers. From the days of the Civil War, when some million men were absorbed in the armies, immigration has been particularly encouraged and European labourers recruited by roving agents of the Federal Government or of business. Steamship companies and other organisations in the Old World made a business out of satisfying this demand. Between 1880 and 1920 total immigration per decade never fell below 3½ million souls, and rose nearly to 9 million between 1901 and 1910. The Great War cut off this stream, and it was noticeable how much the organisation of trades unions in the States benefited from this brief respite. Now, these great multitudes of new-comers have been by no means uniform in origin. The change in their membership can perhaps be indicated best by comparing the two decades 1875-80 and 1901-10: in the earlier period immigrants from north-western Europe numbered 2,080,266, in the later period 2,007,119—a slight falling off. Immigration from southern and eastern Europe, on the other hand, from such countries as Italy, Russia, the Balkans, and the Austro-Hungarian Empire, amounted to 181,538 in the first period, 6,128,897 in the second. Plainly, the dominance of the continent by North European culture, mainly Anglo-Saxon, was being increasingly menaced, and the English tongue was losing its old ascendancy. The Immigration Quota

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Acts of 1921 and 1924 were consequently framed to safeguard from dilution what was considered "American" culture, and the quota of annual immigrants from southern and eastern Europe was fixed at a negligible figure.

The opening up of the New World, however, was not reserved wholly for the white race. Chinamen joined in the Californian gold rush about 1850, and provided some of the labour for constructing the transcontinental railways. But the opposition of white labour organisations largely prevented their settling down, and forced through the Chinese Exclusion Act of 1882. Japanese were recruited from 1900 onwards to turn California into a State of orchards and farms; but city interests obtained the exclusion of further Japanese males after 1907, as soon as they began to settle and compete in urban areas. The 1924 Act decreed Orientals wholly ineligible as immigrants. Finally, Mexican casual and seasonal labour wanders in and out of Texas, and until recently harvested up the west coast, without official restriction and touching a quarter of a million.

While the frontier was still open to be pushed farther west, America remained a land where any man might with little or no capital make a fortune, and certainly could attain a standard of living higher than in Europe. By 1890, however, the frontier had been taken as far as the line of the Rockies, and unclaimed portions of cultivable land in the Middle West had been reduced to a few districts in Nebraska and the Dakotas, while in Maine all but some 4,000 square miles had been settled. At the same time, technological changes in industrial production were giving companies with large capital resources the power to forge ahead in competition with the small producer. The traditional pioneer began for the first time to find himself without room either in the market or out in the field where raw materials waited to be exploited. The chances of his rising to fortune or even to comfortable affluence depended no longer on going out to help himself. The armies of new immigrants could not expect to attain a status of independence in the economic world, but had to remain dependants and employees of established business. Yet, so strong remained the dream and the outlook of the pioneer in the minds of all who continued to come to the magic land of America, that it has taken some forty

years for the masses to discover this economic revolution, which was complete by the 'nineties, and what it meant to them. Meanwhile, the last frontier lines, advancing from the east and west, closed in on the oil-fields of Oklahoma in 1923.

It is rare today to find a middle-aged American who has not worked in many States of the Union. Even when the western movement of population slowed down, men continued to circulate as part of bewildering movements of internal migration, in the constant expectation of finding a better job somewhere else. There was no feeling of attachment to place or status. Even today, the average American boy, in contrast to his European cousins, normally takes it for granted that he will probably enter a different trade or profession from his father. Such internal migration, together with the fact that most immigrants were single or unaccompanied men of working age ready to intermarry with women of different race, largely prevented the U.S.A. remaining a series of water-tight racial or national groups. In general, from 1890 onwards additions to the farming population came from older settlers, while the newcomers crowded into the towns, each new stratum taking over the lowest paid and heaviest labour, and losing better posts to those who preceded them. A process of racial displacement began—in the needle trades of New York, for example, between 1880 and 1910 the order was Jews, Italians, and Poles.

These fluctuations, whether due to new arrivals at the shores of America or for internal reasons, were of the first importance for a labour movement. To the organiser trying to form trades unions they meant confusion thrice confounded: for the employer they promised constant waves of cheap and easily exploited labour. Moreover, although between 1921 and 1930 net migration into the country declined to about 3 millions, and during the next five years reversed its direction and began to flow back to Europe, nevertheless new armies of cheap labour continued to flow into unskilled occupations from the American countryside itself. During those years the ranks of farmers were depleted by the tremendous number of some 6 millions net who moved into cities, and over a million into villages. Such a movement is natural in view of the displacement of farm labour by machines, and of the

higher incomes which the city could offer, even to the humblest of its denizens. In 1929, at the height of American prosperity, three-quarters of a million farms were yielding their occupants only about 400 dollars a year in income. 60% of this exodus from the countryside, therefore, came from the southern States, where poverty is worst, and the five other "rural problem areas" * lost a high proportion of their young people. Racially, this latest army comprised some of the oldest stock of the country, both white and Negro. Negroes began to concentrate in northern cities during the Great War to take the place of workers who had joined the colours, mainly in New York, Chicago, and Philadelphia. Later, Detroit and Cleveland claimed their quota, so that today the Negro is an integral part of the labour force of most important American industries. Finally, as semi-automatic machinery began to take the place of more and more manual skill, employers turned to female labour for its cheapness.

After the depression of 1930 began to settle on American industry, Negroes tended to be the first group pressed out of employment, and every group of white labour tended to come into sharp competition for what jobs still remained. Before that date, however, it was broadly true that Negroes did not come into competition with low-wage groups composed of recent immigrants, but provided unskilled labour in the three census regions where the foreign-born whites were fewest. The example of the Negroes illustrates the general truth that waves of cheap labour have tended in America to flow into regions where new industrial demands were making themselves felt. They have filled a vacuum rather than ousted others from employment. American employers, in other words, have sought for, and perhaps depended on, an unbroken flow of low-paid, exploitable labour.

Kaleidoscopic changes in the composition and flux of the American working force have undoubtedly frustrated, at least as much as any other single factor, past efforts to achieve a solid labour movement in America. There seems no reason why, if continued, they should not exert a similarly depressing influence in the future, so that the question of future population movements is a vital one for the country. To appreciate at once why the International Typo-

* See p. 40.

graphers Union, for example, is the longest-lived, the most stable, and one of the most powerful of the great American organisations, it need only be mentioned that its membership has from the first been almost exclusively British. Later immigrants who had no English tended, because of their helplessness, to fall under the dominance of a local group leader, often a priest, who would naturally be jealous of other attempts to lead his flock. It was therefore easy for praiseworthy attempts at salvaging something of a traditional culture to degenerate into exploitation bordering on a racket. After penetrating within the fence of hostility erected by the group's leader, the union organiser must either speak the appropriate language or use an interpreter. Interpreters have only too often turned out to be the hirelings of hostile companies who translate the organiser's exhortations in such a way as to alienate his listeners. In addition to language, a group's cultural prejudices and traditions must be taken into full account. The United Garment Workers once came to grief when they tried to organise fresh Jews from Russia and Central Europe by means of German Jews. Again, men from countries where stable unionism has been unknown find it hard to appreciate the necessity of paying dues and financing the upkeep of a union when strikes are not actually in progress or prospect. It was for this reason that the anthracite coal-miners, largely Slavs and Italians, melted away from the union after the spectacular and wholly successful strike of 1900.

The most difficult situation of all occurs where men of many races and tongues are gathered within one concern. When the Central Europeans came to settle in the Pennsylvania anthracite fields in the 'eighties, they were met with jeers and stones from their Anglo-Saxon predecessors. For some time they had to live in improvised camps and separate communities, unable either to enter the mines or learn mining technique. In order to win the great strike of 1900 John Mitchell of the United Mine Workers had to work hard at breaking down this barrier of group hostility. The readiness of one group to replace another is naturally exploited by the anti-union employer. An interesting reflection of this fact was a ballad written in Irish dialect during the strike of 1869 in these same anthracite fields, telling the discontented Irishman to return to work or else migrate west:

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So shtart or be off (we're wanting no such)
An' lit those min who want to work, be :
We've miners enough, both English and Dutch,
An' in your place we'll get the Chinees.*

Hints from the company's foreman or spies, set to stir up group hostility, easily confirm unreflective, but common stereotypes in group thinking, such as "all Irishmen are dirty micks, all Italians are treacherous dagoes, all Swedes are dumb squareheads, all Jews are money-grabbing kikes, all French Canadians are scabs." Or again, in the works of the U.S. Steel Corporation at South Chicago, for example—the largest heavy-steel plant in the world, covering many square miles—a deliberate policy of race stratification is noticeable. The clerical and managerial staff tends to be confined to native-born Americans with Anglo-Saxon names, or immigrants from the British Isles; foremen are largely Irish; their gangs come from Central Europe, and work in national groups; Negroes or Mexicans perform the menial or unskilled tasks. It has been easy to convince the higher-paid groups that if they support unionisation of the whole plant, their wages will be levelled down to that of the foreign-speaking semi-skilled, who will soon desert the union; and to persuade the semi-skilled that the men in key-posts will desert them in the event of a strike, while self-respect cannot allow them to consort with coloured outcasts. These arguments are the more convincing because the history of American unionism is full of just such betrayals in time of stress by one wage group of the others.

The post-War developments mentioned above have introduced new difficulties in organisation. Security for the white worker has required more and more organisation of the Negro, and the colour bar has been added to race antipathy. Although the Negro has increasingly migrated into the northern industrial areas where his liberty and civic status are far more comparable to those of white unskilled labour than in the South, there has been at the same time an opposite migration of industrial plants into the Black Belt, a vast tract of 319 counties stretching from the Atlantic coast of Virginia and North Carolina continuously west until it crosses the

* From George Korson's "Minstrels of the Mine Patch," p. 221, by courtesy of the Oxford University Press.

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border of eastern Texas. Here, plantation and slave traditions weigh heavily on society, and Negroes expect to be shot to death by white men for far less than joining a picket line or demanding higher wages from their employer. Where the Negro has to enter cafés by a different door from the White and must sit in separate seats in the rear of public vehicles, it is plain that unions of white workers, if only to avoid social ostracism or being run out of town by their peers, will be chary of opening their books to Negroes; and traditionally, what Negro unions existed had to be grouped in separate locals and separate State federations of locals. In such a situation, to quote a southern organiser of the Garment Workers, "The bosses disturb the Negroes by telling them that if the white workers organise, they will be left out in the cold. Then they get together a small group of the older white workers who still remember that their parents or grandparents were the proud owners of slaves before the Civil War (which was fought in the 1860's almost within living memory), and tell them that unionism means equality for the Negro. This method nearly always has the effect the boss wishes." It is much the same with the Spanish Americans of New Mexico, who, according to the official organ of the American Federation of Labor,* are "backward and held down" like Negroes but make loyal unionists when organised.

Again, between 1920 and 1930 women formed a larger proportion of the new recruits among "gainful workers" than did men, and since the depression of 1930 women in every category of semi-skilled and unskilled work have been substituted for the more expensive male labourer. It is well known that women are far more difficult to organise into unions than men. The codes adopted under the National Recovery Administration did much to reduce the ranks of children at work under 18 years of age. But since the Supreme Court of the U.S.A. declared the National Industrial Recovery Act unconstitutional, they have flocked back in force in order to help maintain unemployed or starving parents, especially in the lumber, beet, and textile industries of the South and New Jersey, and in cities like Indianapolis and New York. Some 150% more children were so employed in 1936 than in the previous year, often working 50 or 60 hours a week and earning

* *American Federationist*, 1938, p. 327.

about 15s., while women earn about £1. Toilers so plainly employed with the principal object of keeping down costs naturally resist unionisation, since they know very well that attempts to better their conditions may mean discharge if the union is unsuccessful, or substitution by men if the industry will stand a higher cost structure.

Finally, there are the young people who represent the increase of rural population and aim to find outlets and employment in the cities. The decade after 1920 was one of very rapid expansion of urban areas, and 28 % of this expansion came from the countryside. Such a new labour force implies generally a far lower standard of educational accomplishment than that of townsmen, and a mental background nourished from the soil and wholly lacking industrial traditions.¹ The city of Cincinnati in Ohio, one of the gateways across the great Ohio River from the southern States leading to industry of the Middle West, sums up very conveniently the organisational problem presented by the rural worker.² Here is a city of light industry, composed up to 43 % of American-born Germans whose ancestors settled in the States two or three generations ago. This stable foundation of the city is highly conservative

¹ In the June, 1938, monthly bulletin of the Metropolitan Life Insurance Company of New York the following cities are given the percentage of their population aged 65 or over in 1930 :

Old mining city :

Denver, Colorado, 6.9.

Old manufacturing cities :

Cincinnati, 6.5.

Reading, Pennsylvania, 6.3.

Rochester, New York, 6.1.

Contrast automobile cities :

Cleveland, Ohio, 3.6.

Flint, Michigan, 2.9.

Detroit, Michigan, 2.8.

Steel cities :

Gary, Indiana, 1.7.

Birmingham, Alabama, 2.

Youngstown, Ohio, 3.2.

Oil city :

Tulsa, Oklahoma, 2.9.

Rubber city :

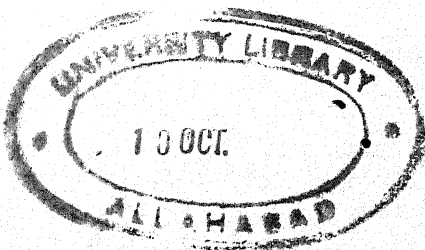
Akron, Ohio, 3.1.

Textile cities :

Chattanooga, Tennessee, 3.3.

Atlanta, Georgia, 3.4.

² See the detailed and excellent article by Dr. G. G. Leybourne in *Social Forces*, December, 1937, to which much of this section is indebted.



in temper, largely Roman Catholic, and until very recently thought itself above organisation in unions. Consequently, when new manufacture like radio and light engineering moved into the city in order to make use of the poverty-stricken "Hill Billies" driven from their ancient farms in the Appalachian Mountains to the south—the manufacturers advertised for rural labour in Kentucky, Tennessee, and West Virginia—there existed no body of organised labour ready to bring unionism into the new industries and humanise their conditions of employment. The newcomers, Protestants and of long-settled British stock, were practically illiterate and quite without means of knowing how to adjust themselves to urban life. Employers used them to undercut the wages of the German skilled labour, and disciplined them by ensuring a constant high turnover of their labour force. The older population of Cincinnati naturally, therefore, conceived a hostile opinion of these "Briers" and "Ridge Hoppers," accused them of coming mainly in order to make use of the better hospitalisation and relief services of the city, believed them the origin of much disease, dirt, and immorality. Under such circumstances the Southerners' adjustment was rendered even more difficult, and the representatives of the older trades unions, such as could be found in Cincinnati, and who alone might have eased matters, made no serious attempt to organise them. Investigation, however, has shown that the accusations of the German population were unfounded; and a new generation of union organisers have in the last few months extended the benefits of a labour movement to what was before practically casual labour of the most degraded kind. "Hill Billies" and men like them have over and over again proved loyal union members if properly handled. But they come into cities from parts where each man or clan has been traditionally his own law-enforcement officer; and they are ready to welcome the lowest-paid jobs as comfortable living after the relative poverty of the fields.

SECTION II. INDIVIDUALISM

Not less than movement has the character of the people stood in the way of labour organisation. America's famous "rugged individualism" has many roots: the mark left by early Puritanism

and its emphasis upon the development of character ; belief in the basic assumptions of modern productivist society, unparalleled elsewhere in the purity with which it has been held, upholding individual worth as the grand end of social life and as the substance of which a man's possession of wealth is the just symbol ; the 19th-century doctrine of evolution and progress in terms of personal effort ; the welcoming of hypnotic promises, thought to be sanctioned by all these earlier beliefs, that only through the medium of an economic society like that of last century can an unbroken improvement of machine technique be made to yield a never-ending harvest of wealth. It has already been shown that, while the frontier remained open, individualism of the extremest sort could not help being both beneficial and necessary.* How could organisation, political or other, help a man at work many miles from a neighbour, where he had only to exploit natural wealth by his own toil ? In such a country " law " means little more than self-defence against wild beasts or bandits. The persistence of these pioneering traditions makes the modern American partial to hero-worship, quick on the draw, tolerant of lawlessness and racketeering, genial and hospitable.

In such a society no leadership emerges except that of the successful business man, and all leadership is conceived in terms of personal admiration for a figure whom everyone else, given the perseverance, can emulate. Certainly history has no other such grand example as in the northern U.S.A. of a society in which opportunity has in fact been nearly free and equal for all. But such conditions, although the basis of American greatness, also precluded any constructive leadership of labour, and staryed any working-class policy that was not purely negative. Indeed, there could hardly be said to exist a working " class." Consequently, working men, whether singly or in such groups as they might form for the purpose of furthering their immediate aims, fought solely to clear away from their paths the obstacles to their becoming capitalists.

Free education and the popular vote came early. The next aim of the masses was to abolish tendencies to land monopoly, so that free opportunity should also be cheap. The pre-emption laws were

* *Vide supra*, p. 13.

therefore gradually worked out, by which squatters who settled and improved the land could later buy it at established, non-competitive prices. "Vote yourself a farm," was the slogan of the New York working-men's party in 1844. The Homestead Act of 1862 was a later development in the same direction. Residents of five years' standing could now obtain the title of a homestead of 160 acres free. 65 million acres were thus given away between 1860 and 1880, by which date 74.5% of farms were worked by their owners. The situation as late as 1900 was still such as to lead a young man to expect he might attain the status of a small but independent farmer-capitalist. For the census of that year shows that of farm labourers about 90% were younger than 35 years of age, of farm tenants about 67% were younger than 45 years of age, of farm owners about 60% were over 65 years of age. The realism of this popular policy can be seen from the rising standard of life it secured. In 1900 a workman could save a third of his wages without lowering his standard of life below the level of 1860, and work an hour and a half less daily.

In the industrial field likewise the object of the workers was to eliminate evident tendencies towards monopoly. The Sherman Anti-Trust Act was intended to secure this, but, together with later legislation, has proved a failure. No mere law could hope to turn the tide against such powerful technological arguments as impelled producers to cut costs by large-scale production; no law could hope to reserve the industrial field for the small, independent man free from the domination of large interests. In any case, anti-trust laws have never been administered in the U.S.A., both because the courts and legal profession have been biased in favour of, and largely employed by, the big corporations, so that the Government could never make out a successful case; and also because the corporations have generally ampler funds at their disposal with which to fight and kill cases from court to court, than the Department of Justice at Washington. That the old free and independent order of things was being preserved in the industrial field, then, became more and more of a delusion, which, however, remained powerful enough to render it impossible to interest Americans in an effective policy of concerted industrial control until the advent of the New Deal.

On broader issues, therefore, American unionism to be successful had to be negative; in the workshop "job control" became its typical mode of activity—economic action, that is, taken merely to wrest a more favourable division of the spoils the more speedily to convert workman selling his technique into petty capitalist selling his business ability. It is as a successful exponent of such strategy that the American Federation of Labor has alone outlived all vicissitudes while rival organisations died. But, plainly, such strategy must become relevant to fewer and fewer workers as mass production based on unskilled labour spread, and industrial control passed from the hands of innumerable small producers to be concentrated in the board-rooms of a diminished band of huge, pyramided companies. The old-style union, then, came to serve few but the highly skilled "aristocracy" of labour. For the rest, the history of American labour has been a series of tragically short-lived groups who aimed at something more than job control—from the Philadelphia Mechanics' Union of Trade Associations, which gave birth to the world's first labour party in 1828; the Knights of Labor, who in the 'eighties embraced anybody except professional men, speculators, and saloon-keepers; the pre-War Socialist Party; to the efforts of the Railway Brotherhoods in 1922 and 1924 to launch a third party in conjunction with the Socialists and the Farmer-Labor Party of Minnesota.*

It is difficult, but important, to grasp the extraordinary attachment of the average American workman to extreme economic individualism. Otherwise, only by a superficial blaming of certain leaders can the constant degeneration of broader reform movements either within or without the unions into a vague preaching of utopian uplift, innocent of funds or organisation, be accounted for. Why did Socialism, nourished during the first decade of this century by immigrants with revolutionary views from Europe, by the sensational revelations of industrial trustification, and by the check to rising standards of life, look like capturing the A.F. of L. (American Federation of Labor), but finally fail? Labourers hoping soon to become capitalists could not bear men who questioned the absolute rights of property. They entertained for their jobs as deep,

* These and following points will be argued more fully in the concluding section of Chapter 2.

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almost religious, a sentiment of personal possessiveness as the capitalist did for his property. Men and masters were equally convinced that the system of free enterprise was utterly sufficient, without any collective efforts to supplement it in a positive direction. Despite exposure of the growing cynicism of business leadership, and despite the hardships which beset many, if for short periods, in business depressions, the implicit faith of the masses in the old frontier assumptions was never shaken. Only in the light of these facts could the impossibility of fashioning a modern labour movement in the U.S.A. be fully appreciated. America was at first, and later still believed herself to be, too democratic to need one. An anthracite-coal magnate could write in 1901 without provoking a smile:

"The rights and interests of the laboring man will be protected and cared for, not by the labor agitators, but by the Christian men to whom God in His infinite wisdom has given the control of the property interests of the country."

Democracy does not necessarily imply gentle treatment. In the U.S.A., although a man was free to look after himself, he had to meet rough, often rigorous, conditions, both geographical and human. Add to this the fact that within a general picture where attainment of independence seemed open to all, there were bound to occur times and places where the process of competition became too obviously imperfect, and men were plunged into despair of ever bettering a condition of glaring insecurity. Not until 1931, for example, did New York city's budget contain the item "unemployment relief." When men believed with Andrew Carnegie that "there is no line of business in which success is not attainable. It is a simple matter of honest work, ability, and concentration," their natural attitude towards the out-of-work was one of hostility. Thus, the organ of booming industry in Chicago wrote, just after the depression of 1897: "The best meal for the starving unemployed who are roaming the countryside as a result of the recent depression is one of lead, and enough of that to satisfy the most craving appetite." That industrial relations should sometimes degenerate into violence was the natural outcome of such a situation and of the will to fight for job or property to which a man believed

he had an absolute right. The history of American labour organisation, then, has been on the one hand a chronicle of peaceful collective bargaining sometimes attained by the "aristocracy" of labour within the constituent unions of the A.F. of L., on the other hand a record of intermittent warfare where groups of men, either inside the A.F. of L. or outside, felt themselves up against a blank wall where force alone might prevail.

During the severe depression of 1873-80, then, a nation of individualists could do nothing but leave their unemployed to starve. Real wages fell by 50%, and spontaneous strikes broke out on the Baltimore and Ohio Railroad. Frightened authorities, the situation rapidly passing beyond their grasp, drafted militia to guard the railroad property. The militia fraternised with the strikers; the same occurred with the Pennsylvania Central Railroad. President Hayes then had to send Federal troops. Strikers were fired on in Baltimore and Cumberland, Maryland. Homeless, starving mobs continued to wander about with no more sinister motive than looking for food. Here was the first occasion on which troops were used as strike-breakers, a method of regulating industrial relations which has since become traditional. In 1878 Bismarck passed his anti-socialist decree, and revolutionaries, often with syndicalist or anarchistic views, began to stream over to the New World. At the same time militant employers' associations began to be formed with the main purpose of defeating concerted demands by their workers. They began to force or cajole more pacific-minded employers into a general movement to refuse all recognition of unions and to tolerate no dealings with them. In 1885 lock-outs became general, and masters revoked collective agreements for a 9-hour day which they had previously made with their men.

There were four forms of coercion open to the employer who, as time has passed, has learned how to bring them all into action together. The company may employ and arm its own guards to police property, an obviously necessary safeguard in wild and isolated spots where the civil authorities normally maintain no representatives to enforce the law. That corporations should do their own policing, then, was a corollary of pioneering conditions. But as the country has settled down, the company policeman has

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been retained to discipline labour, which task he usually performs ill, for the simple reason that a management of human relations needs for its success a wholly different technique and tradition from one of fighting off wild beasts and wild men. He functions partly on the psychological, partly on the physical plane, passing from a mere carrier of information to the management of what the men are thinking or planning, through various stages of propaganda with which to confound the arguments of union organisers and inculcate the views of the management, to the use of threats, terrorism, and finally brutality and violence against employees, their families, sympathisers, and union leaders. Perhaps the main influence of the company guard comes from the knowledge that the men have constant spies in their midst who will act as strike-breakers and receive substantial reinforcements in time of open struggle. It would seem that as frontier conditions gradually recede into the past, a settled urban life might develop a public opinion to which survival of the armed company policeman would be repugnant. Very large numbers of great plants, however, still remain in isolated locations where it is hard to bring public opinion effectively to bear without some special provisions for it, and there can be no doubt that companies today make a conscious policy of setting up new plant well outside industrial centres and the influences of the city, and of employing only selected hands fresh and raw from the countryside. Such a policy is impossible only where stronger economic arguments necessitate a different type of location, for example, to draw on a highly skilled labour supply. But these arguments carry less and less weight in days when automatic machinery and semi-skilled labour are becoming universal. The isolated company village remains in consequence a characteristic of American industrial life. It illustrates to perfection the type of community which militant employers evidently hold as their ideal embodiment of "employee-management relations." It is common in the vital industries of steel, automobiles, mining, lumber, and textiles.

Much has been written about the "mill village," and it displays certain common and well-known features. What needs emphasis is the persistence of these communities today, posing the same old problems for a labour movement. A company sets up in

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the country, builds a camp or village, owns every building and service including sanitation and police, keeps the estate private and unincorporated so that there can be nothing corresponding to municipal government or a franchise in local affairs for those who come to live and work there, owns the store at which everyone must trade with monopoly prices,¹ employs the only doctor and hairdresser, operates the only cinema and school. Families are given so many rooms to live in, according to the extent to which their members undertake to work in the local mills and not seek employment elsewhere. No effort is spared to dominate every moment and phase of the employee's life, and to keep it within the circle of company control. Once in such a community, there is often great difficulty in cutting free from it, since low wages encourage men to incur debts at the company store whose credit is secured with first lien on their next week's wage, so that in time they receive practically no cash payments and lose any prospect of ever regaining them.

As the Pennsylvania ballad puts it:

It's nothing strange to find on seeing the docket
We've worked a month and still are out of pocket.
It makes a man feel dirty cheap, you bet,
To work a month and then come out in debt.²

In addition to the bonds of this semi-peonage, individuals are tied by fear of reprisals against their family should they leave. From a material point of view, life in the mill village under the care of paternal employers may be superior, especially in the South, to life outside. But loss of civil liberty is often felt so keenly that those who take employment in the village come to regard themselves, and be regarded, as lost and degraded souls. Where the employer cares to exert his power to the full, an atmosphere of almost inconceivable terror and despair pervades communities for whole decades, e.g. in the steel villages of Weirton and Homestead near Pittsburgh. Moreover, in communities which have not the full characteristics of the company-built and company-owned towns, where, for example, a large plant is moved into a pre-existing

¹ State law prohibiting company stores is easily evaded by putting them under a new name, e.g. a company official's name. In substance the company can thus still control the store.

² "Minstrels of the Mine Patch," by George Korson, p. 226, by kind permission of the Oxford University Press.

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settlement and becomes virtually the only employer, so that on the policy of that plant depends the income of the whole town, or even in a city like Detroit, dominated by a single industry where employers work together in their treatment of dependants, here too workers are reduced to the same status of automata, although by less simple and obvious means. Here, in short, the company must own or dominate the city government and the banks, in place of the more direct method of being sole landlord.*

In one form or another, then, it is plain how extensively the shadow of the mill-village, inheritance from frontier days, still looms over social relations in the U.S.A. The *United Mine Workers Journal* reports on September 15, 1937:

"The *Raleigh (North Carolina) Times* . . . recently warned organisers . . . that no strikes would be permitted in the textile mills of that State. . . . Attention has been called to the mill village of East Lumberton, N.C., where the people 'do not take baths'—because there are no bathtubs, no running water, no heating systems. The town is owned by H. B. Jennings, owner of the Mansfield Cotton Mills. The dwellings are dilapidated three-room shacks, with disease-breeding toilets in the rear; one outdoor well . . . in each block. . . . Do they protest? Well, if they do the 'chief of police' and his assistants are right there. . . . The chief receives his salary from the mill-owner, Jennings; the 'mayor' is a floor-wiper in the Jennings plant. Town-meetings? They're held in Jennings's office! East Lumberton is a one-man town and the one man is Mister Jennings, mill-owner. Wages? Workers receive from 9.60 dollars to 13.20 a week. When they struck because of putting on the 'stretch-out' (a speed-up system), the management again cut wages 5 to 10 cents."

The same copy of the same journal reports that the new Bureau of Civil Rights and Public Information, set up by Governor Earle's pro-labour administration in Pennsylvania, was investigating a company town called Elkland, owned by a huge tannery. The works were fitted with no safety devices or proper sanitation; no job could be obtained without bribery of foremen: "I know of one man," testified a national organiser of the Leather Workers Union, "who has worked there fifteen years, doesn't receive a

* It has been difficult to administer, e.g. the Pennsylvania law forbidding public officials to accept salaries from companies.

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cent of cash pay, and owes the company money today." Labour organisation in such places can only be carried on by secret meetings in the woods, or by house-to-house visiting after dark, and then at the personal hazard of the organiser. When such methods were being used in the drive to unionise steel in 1936, the inhabitants of Homestead were openly reminded by the company that a strike would bring a recurrence of the terrorism which prevailed there in the great steel strike after the War, and in the memory of which they had lived ever since. In such places the organising strike is practically ruled out as a tactic, and the union loses one of the most important weapons in its armoury.

If the company guard seems too expensive a form of coercion, the management may have recourse to a second agency. In States which keep no permanent police force for their countryside—and they are the vast majority—the sheriff is the law-enforcement officer for the county. Should he consider the enrolment of aides necessary to keep the peace, he is at liberty in most States to endow with the badge of deputy-sheriff anyone he wishes. It is not unusual for sheriffs to receive informal incomes from prominent companies in their counties, and, when requested, to appoint as deputies friends or dependants of the company. These *improvisé* officers, now armed, and invested with the authority of the law, will intervene in labour disputes as strike-breakers or to fulfil other functions of the company policeman. From their nature, deputies are likely, if anything, to be even less adapted to successful "personnel management" than company police, and more apt to fly to extremes from inexperience, panic, or hatred. Deputies, moreover, sometimes exceed the office which the law would seem to envisage for them, namely, intervention in crises, and act as coercive bodies over long periods. The journal of the coal-miners' union, for instance, reports on September 1, 1937, that in Hopkins County, Kentucky:

"the deputies ride around with 'tommy guns,' rifles and other arms, and when they feel disposed terrorize any miners' gathering they find. They have even threatened school children with these menacing arms to such an extent that the attendance at a public school, attended largely by children of miners, was cut down about 75%. Parents were afraid their children would be killed."

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Industrial life in Hopkins County was proceeding normally and without any breach between the men and the coal companies in the autumn of 1937.

In the third place, a company may cause to be formed an alliance of local citizens, and use it in place of deputies. This manoeuvre came into prominence at the beginning of the century, and commended itself because such alliances gave the impression that, being composed of representative residents, they spoke and acted for the community as a whole. They seemed to carry the sanction of public opinion, however unsavoury their performances. Their members often differ little from the body of deputy sheriffs—sometimes the alliance consists of nothing but deputies and a number of fictitious signatures.

Finally, companies may request civil authorities to mobilise the National Guard and turn their strike-bound plants into military encampments. This time-honoured strategy, even when carried through at the order of governors genuinely anxious to preserve impartiality and peacefulness on the scene of industrial strife, and often welcomed at the outset by strikers who imagine the troops will defend them from attack by company police, deputies, or citizen bodies, nevertheless spells defeat to the union as a general rule, for the simple reason that the property of the company is obvious and tangible for would-be protectors, while the rights and the interest of strikers are invisible and difficult to define. Soldiers have not proved good mediators in industrial troubles; consequently, some States have created special bodies of police to act at such times throughout the counties. A body of trained men after this style would seem the obvious solution to the problem of industrial policing—possibly the most serious problem a labour movement has to meet in the U.S.A. today. However, the Pennsylvania State Police have earned for themselves a reputation of the most extreme brutality, particularly from their conduct in post-War strikes, and are generally regarded by labour as indistinguishable from professional thugs. In California, on the creation of State highway police for traffic control, a pledge was exacted that they should not be used for industrial purposes. That pledge has been broken by the last governor, and the agricultural interests have used the "traffic police" to set strikers to work at the point of the revolver.

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These, then, are some of the stratagems by which masters have defeated combination among their men. That laws have not been made declaring them illegal, is due in the first place to America's newness; in wild places settlers have to make their own law by forming vigilante bands, they have to take law into their own hands, since there are no other hands within reach. What is virtually lynch law and mob rule prevail. Adequate as these arrangements may be when the sole social problem is to deal with Red Men, their perpetuation today by those who wish to evade legal control subjects a community to a tyrannous monopoly of violence, sometimes decorated, it is true, with a veneer of legality on the part of those who can pay, pull strings, or manipulate the fears of timid property-holders. Consequently, public officials and the law in general come in for a widespread condemnation and hatred; political organisation seems disreputable and cynically selfish. Nothing could be better calculated to inflame public sentiment to the point of an acute struggle between groups, interests, or classes.

The second reason why the U.S.A. has seen no serious attempt to regulate industrial relations by statute is that even had such statutes been passed, they could not have been enforced. The courts of law, under the written constitutions of each State and of the Union, have the last word as to what statutes shall be considered constitutional, and further, as to how acceptable statutes shall be interpreted. In the last analysis the law is what the judges are likely to say it is, and in the U.S.A. judges are not unduly concerned with the intentions of electorates or congressmen who make the laws. They invalidate or interpret statutes which come before them mainly by reference to a body of legal precedents which are in turn the decisions of judges about earlier statutes and may be traced back finally to the written constitution. These constitutions* were drawn up generations ago under social conditions quite different from those of the present day, so that when a judge today has to interpret a new legislative enactment designed to regulate, for example, a form of property hardly dreamed of in the days of the Founding Fathers, his interpretation is bound to depend not

* Constitutional documents are revised from time to time, but conservative interests have not so far permitted radical change about property and little about taxation.

so much on the meaning or wording of an out-of-date and irrelevant document, as on a purely creative act of his own, namely, an ingenious fabrication by which the irrelevant is made to bear on a problem it never envisaged. Laws, then, as administered, tend to follow the improvisation of the bench rather than the intentions of their makers. To some degree this elementary truth holds in any country: generally, however, the judge has to take most of his cues from the legislature or the Government, and if public opinion deems him to be diverging unduly far from a common-sense interpretation of statutes or administrative rules, new Acts can be rapidly passed invalidating objectionable judge-made law. In the U.S.A., however, the judge takes his cue from the written constitution first, and by constant appeal to it he can continue to overturn attempts to check his interpretations. Where the cue given by the ancient document or the precedent is virtually meaningless, the judge has nothing to fall back on in his improvisation but his own social philosophy or prejudices. He is usually past middle age before he rises to the Supreme Court of his State or of the Union in Washington, and his legal training has taught him to preserve existing rights and properties rather than welcome new ones. The prevalence of judge-made law in the States is bound, therefore, at best to entrench conservatism.

As it has worked out, the sway of the judge has degenerated into vicious reaction. He may be elected to the Bench for a term of years, when the colour of his verdicts tends to be taken from the interests of those to whom he looks for re-election—the local party machine or boss—or of those, usually business corporations, who he hopes will, at the expiry of his term, retain him as legal counsel. If on the other hand his place is appointive, his selection will be made and confirmed by men normally concerned at least not to offend local business interests, and that selection will usually follow the recommendation of the local Bar association. This latter body is dominated by successful lawyers employed by the largest corporations, and ability to invent methods of circumventing by appeal to the courts any legislative or administrative attempt to curtail the power and freedom of the business concern is the Bar association's ideal of the good legalist. Where in other countries a lawyer might refuse to act on behalf of a client who is aiming to sail too

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close to the wind, or might advise him against such procedure, in the U.S.A., should he have any professional ambition, he would be wise to accept briefs for defeating popular control of the corporation. Evasion rather than support of the law is the natural attitude of a profession moulded in the past by men who were virtually business executives. American law has been swallowed by American business; its professional standards have been set within the offices of corporations, out of touch with those living sources which make the law an interpretation of changing social reality. When, for example, the Sherman Anti-Trust Act was being passed in Congress, the A.F. of L. was apprehensive that it might be used to prosecute unions as trade monopolies, and a promise was given in the Senate that this should not occur, since it was not the intent of the Act. Employers, however, soon took the advice of their attorneys and turned the Act against the unions, and the Bench before which the first case under the Act was fought, took as evidence of the intent of the Act quotations made from Congressional debates which were included in the briefs of the lawyers. The promise given to the A.F. of L. was ignored by the Bench, which ruled that the Act might properly be used against labour unions within its original intention. Even the Clayton Act, passed later largely to exempt unions from molestation under anti-trust law, never shook the courts from their decision. However specific an Act may be, declaring *e.g.* picketing a legal act of unions, some Bench can usually be found to declare that some particular trade union local does not come under the law—it is not a union for the purposes of the Act.* Why pass laws, then, which nobody expects the courts to countenance?

In no country therefore more than America has the machinery of the law fallen into popular disrepute through the low professional standards of the Bar, and the arbitrary and wilful disregard of public opinion and the meaning of laws by the Bench. No single agency in American history has done more to perpetuate the lawlessness of the frontier in its latest form of social anarchy than the courts. Since organised labour is the declared enemy of American business,

* Peaceful picketing was forbidden by Judge Salvatore Cotillo in New York, July, 1938, despite an Act specifically prohibiting interference by courts with peaceful picketing.

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the courts have been traditionally hostile to it. They have fought it tooth and nail with the weapon of the injunction. Now the injunction has been developed into an institution peculiar to the States—a method of governing everything under the sun by running to a judge for an injunction. The theory is that where no ordinary legal process exists for getting redress for injury, where *e.g.* in time of unlawful boycott or strike the extent of loss could not be measured or responsibility be fixed, a court should enjoin the illegal act and prevent loss that might be irreparable. Theoretically, then, the injunction should be a substitute for a damage suit in cases where statute law or common law is too elementary, defective, or undeveloped to have provided for such a suit. The newness of the country, therefore, doubtless helps to explain the prominence of injunction procedure in the States. Again, in a new country criminal law enforcement is weak, and the injunction has been extended to use in criminal cases. That it has recommended itself especially in labour disputes is owing partly to the difficulty of recovering from unions fines for damage to property, partly to the normal bias of judges in favour of employers (there have been honourable exceptions), and to the inalienable right of any American citizen, when initiating litigation, to move from court to court until he finds a judge of suitable views. If the injunction takes the form of a temporary restraining order, once it has been served on the union there is no appeal. Higher courts will often set aside a more permanent injunction on appeal, but grant no specially rapid hearing of these cases. Strikes and boycotts, however, need above all careful timing and speedy execution for their success. Strikers therefore find themselves in a dilemma on being served with an injunction; either they must obey the court and see themselves defeated by the dilatoriness of legal procedure, or they must risk arrest for contempt of court. Trial for contempt is reserved for the offended court, so that arrest brings a striker no review of the justice of the original restraining order. Normally the penalty for contempt is assessed in accordance with the criminality of the act committed after the court's order had enjoined it, so that the striker is deprived of his right to a separate criminal trial. In short, although the interference of the courts in labour disputes may advertise them and spread a boycott, it generally serves to break the

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spirit of unseasoned workers, it wastes the time of strike leaders in gaol and in court, it drains the funds of the union in paying for counsel. John Walker, for years president of the Illinois State Federation of Labor, called it "the most perfect and modern strike-breaking agency there is on earth."

In the past, then, the courts have had to be reckoned just one more channel by which companies could coerce labour organisation. Above all, they are a useful excuse for bringing the police into the picture during strife, in order to see that injunctions are carried out. The consequence, in view of the inefficiency of the American police forces for this purpose, is that the annual number of arrests of pickets and strikers is fantastically in excess of the number of misdemeanours committed. Except on the rare occasions when the union leaders have the ear of the chief of police or even persuade the authorities not to serve the injunction, the police tend to go on the theory that their duty is to finish off the quarrel quickly, and therefore exceed their powers irrespective of civil rights. In 1924, 3,000 Chicago dressmakers were on strike. Four non-union men were caught bombing a plant, some unionists were charged with assault for "rushing" factories in order to clear them of workers. 1,200 were arrested in all, apparently on charges of disorderly conduct. 300 were released because no charge could be found against them, many having been gaoled without being booked. 800 cases were dropped, about 100 tried without jury, and two convicted. Some passers-by who had stopped to read the injunction were arrested, 258 strikers were brought in for contempt of court, 255 convicted for it and fined from 10 to 450 dollars each. Most of the commotion and violence were provoked by the presence of 100 company guards, present to "help" the police. Thousands of similar encounters might be quoted from the Press as a normal part of America's industrial history. They perpetually recur, always with the same ingredients if variously compounded.

It requires no argument to show how handicapped the organisation of unskilled and semi-skilled workers was bound to be against opponents as determined, well provided, and influential as the American employers. A miners' ballad from Pennsylvania hits off the situation well:

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But don't think, Stranger, we make all the strikes,
There's Mr. Gowen makes one when he likes.
To him they don't say bah about the thing;
But see the difference—he's a Railroad King! . . .
He always makes believe we're in the wrong,
And draws his pictures of us pretty strong,
He says he is the workman's great admirer,
While we, in turn, say he's the great conspirer
Against our price, our liberties, our rights,
And the instigator of one-half our fights.*

The general picture of industrial relations outside the little groups of labour "aristocracy," and often within them, too, has been one in which the employer has had things his own way except for brief outbursts of resistance tending to fall into the pattern of open warfare. The word "warfare" is used advisedly here, for that is the only word which will do justice to certain characteristics of these outbursts. Although recourse to violence by either side is technically illegal, the law is never enforced against the victors, only against the defeated. Each side plans force in aggression or defence, convinced that its use is a duty to the group—a macabre instance was when the Molly Maguires took Mass before going out to shoot in Pennsylvania. The end of the struggle brings no efforts to avoid by some constructive machinery, such as arbitration or presentation of grievances, a recurrence of strife; it is marked by brutal reprisals. Any observer who looks closely enough at the scene cannot fail to detect a dangerously overcharged atmosphere, which at fairly regular intervals gives off a lurid flash revealing a pervasive tension. Just as in colonial countries the natives and the governing group are forced into separate castes by mutual fear and antipathy, and it seems a matter of honour and loss of face or group prestige to give way an inch to the demands of the opposite side, so there flames out in the U.S.A. from time to time evidence of that same poisoned psychology. There have been a series of spectacular trials which rapidly assumed the stature of national questions. They were instinctively recognised as test cases of the power of business leaders to justify their cynicism, and by control of legal and political machinery to remove labour leaders on what

* From "Minstrels of the Mine Patch," by George Korson, p. 220, by kind permission of the Oxford University Press.

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generally seem to be trumped-up charges. Bribery or appeal to caste feelings of jurors is usual. The history and later confessions of jurors in the famous Haymarket, McNamara, Centralia, Mooney, Sacco-Vanzetti, Scottsborough, Tampa flogging, and Angelo Herndon cases come immediately to mind. In the first, Governor Altgeld dared to outrage the feelings of business by pardoning the "anarchists"; his career was thereupon ruined. No Governor of California has dared before 1939 to pardon Mooney, nor a Bench in the State to review his case impartially.

The same unrelenting attitude appears today when companies prefer to go into liquidation rather than bargain collectively with unions as they are legally obliged, under recent pro-labour legislation, to do.¹ Workers, convicted usually for violence, who have to be released later through public indignation at a flagrant miscarriage of justice, sometimes insist on a re-trial in order to demonstrate publicly the triumph of the rights of their caste and to humiliate their opponents.² Needless to say, in a country as commercially alert as the U.S.A., enterprises have sprung up to make profit out of the tense situation. Where unions do not want to trust arson or dynamiting to the unskilled efforts of their own men, and employers do not wish to turn their employees into armed guards or *agents provocateurs*, certain agencies will undertake the job for them. These vary from detectives who will shadow union men or attend meetings to report on them, through furnishers of every type of provocation and violence, until the other extreme is reached in the shape of the large-scale gangster. These "entrepreneurs" begin to undermine society itself when they force their services on both sides at the point of the gun, selling to each "protection" from the other. The gunman and dynamiter have been a regular figure in American labour strife since the 'seventies, appearing from time to time and in certain areas; but it has only been since the War, and especially in the years following 1925 and the introduction of Prohibition, that the racketeer has begun to entrench himself permanently in American city life. This trend, endemic violence,

¹ A recent example was the Millfay Manufacturing Company of Buffalo, in July, 1938. It is the management which is usually intransigent; shareholders often object, but, as usual, tend to be overruled. The *C.I.O. News* reports, May, 1938, the North America Directory Publishers Association as forcing a Boston member to liquidate.

² Cf. cases reported in the *United Mine Workers' Journal*, May, 1938, arising from convictions for bombing in Luzerne county, Pennsylvania.

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and a chronically overcharged industrial atmosphere, have led many to prophesy Fascism as the next stage of American development on emerging from a pioneering society.

SECTION III. THE FUTURE

For half a century now technical changes have been forcing the States into a centralised whole. In a country becoming closer knit by improved communications and concentration of financial and industrial ownership, uniform problems have come to require uniform decisions. The old system of democracy by decentralisation and diffusion of power is passing. Decisions made between small independent or isolated units of fairly equal bargaining power are yielding place to plans worked out in one centre to cover undertakings which ramify into every State. If industrial democracy is to survive, other interests must not lag behind the trend of business organisation and government: they, too, must concentrate their power on national, continental lines. This necessity applies above all to the trade unions, whose duty it is to march in the vanguard of a popular movement.

Those basic elements in American history which have stood in the way of a powerful, centralised labour movement have been analysed in the preceding sections. They seemed to arise at bottom from the unsettled character of the population. With that once stabilised, much of the individualism and violence might pass. Closing of the frontiers and closer communications have plainly done something. It remains to determine how far the labour leader can reckon on a reasonably settled population today and tomorrow, to compose a well-knit, firmly-grounded democratic movement.

It is generally agreed among populationists that only a quite unforeseen reversal of all trends could bring another significant wave of immigration to the U.S.A. The present anxiety of European States to retain all their man-power under their own flags, the growing fear of absolute declines in European population, and above all the now known fact that in times of depression or indifferent trade working-class conditions suffer relatively worse in

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the U.S.A., all point to one conclusion. Only if American standards of life picked up and began to forge ahead of other countries¹ would even the immigrant quotas fixed under the 1924 Act be filled. Only then might the U.S.A. Government radically alter its immigration policy and open its doors to all comers. The *Index*, a publication of the New York Trust Co., says in its issue of September, 1937, speaking for business interests :

"Without question, cutting off the reservoir of alien laborers on which the country has always so greatly relied . . . will force up the wages of unskilled labor generally and compel widespread readjustment of costs, not excluding labor itself—especially skilled labor."

It demands, evidently hoping that the A.F. of L. representing "skilled labor" will concur, that the labour market be depressed once more by lowering the barrier to new immigration. It is most unlikely, however, that the Government will add to its already gigantic burden of unemployment by accepting the unemployed from other countries. In point of fact, the U.S.A. Government was negotiating during June, 1938, with the Brazilian Government about the feasibility of settling American farmers in the State of Matto Grosso as cattle-raisers, at the expense of the U.S.A.

Internal movements of population, however, are far more problematic. The reproduction rate of large cities in or around which industry is gathered has fallen to a figure about 30% below the level necessary to replace permanently the urban labour force. Consequently, in default of immigration into the U.S.A., the ranks of city workers must continue to be supplied from the countryside. After 1970 numbers throughout the continent are expected to begin to decline.

That is the underlying tendency which should show itself in the long run. Between 1930 and 1935, however, 1,995,000 went back to live on the land, driven out of the cities by unemployment and starvation. They settled mainly on poor land near cities or in sub-marginal stony or cut-over regions.² In other words, they attempted subsistence farming on land too unremunerative to

¹ So far no signs of this can be descried. *Vide supra*, Introduction.

² Cut-over land is the remains of deforestation. The stumps are generally left in the ground, which is often too poor to support crops or grass at commercial prices.

have been farmed profitably at the time, with intent to return to urban employment as soon as it was offered. The Bureau of the Census reported in June, 1938, that the back-to-farm movement was still proceeding. Since 1930, then, the normal drainage from the land has been cut to about one-fifth its former magnitude; yet the excess of births over deaths on the farm remains about 500,000 a year. Can agriculture absorb this doubly swelling multitude? Only at the expense, under present circumstances, of a drastic reduction in the national standard of life. Long before 1930 the farmer's real income had been falling. Mechanisation, especially since the War, has been economising in the numbers needed to work the same acreage, and agriculture has been transformed from one dominated by the family farm which consumes almost all it can produce, into a commercialised business, managed often by large concerns which in 1929 marketed 87% of its total product.

The exhaustion of natural resources, especially of oil, natural gas, metal-mining, and lumber, by terminating jobs in certain districts has at the same time intensified the effects of technical change. Most profound of all has been the destruction of the soil by erosion. As in the continents of Africa and Australia, so in America, an unwise redistribution of land to new and ignorant users, and above all a ruthless and uncontrolled invasion of agriculture by commercial methods intent only on making immediate profits out of the land rather than moderately husbanding its resources, have left to the heirs of pioneering enterprise the problem of reclaiming a number of rapidly growing deserts. It was recognised before 1900 that the American soil was falling several inches a century, and that four-fifths was already in danger of destruction. In 1935 the Federal Emergency Relief Administration made a survey* of the most impoverished of these territories, dividing them into six "rural problem areas." These areas in 1930 contained about half the rural families on relief, and included three-quarters of the country's Negro farmers: they stretch through the cotton belt where the grower has burned up the soil with decades of that exhausting crop and passed on to new land farther

* "Six Rural Problem Areas." In this important document lies the hope of America's most depressed peoples. *Vide supra*, p. 15.

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west, through the States bordering the Great Lakes and over the Appalachian and Ozark hills where the timber has been cut, and form a broad belt stretching almost through the centre of the continent from the Canadian to the Texan border where the prairies were ploughed up to feed the Allied armies in the Great War. Throughout these vast tracts years of drought have recently aggravated the slower forces of improper land-use and treacherous atmospheric conditions, to force the country for the first time to contemplate tackling the problem. What becomes of the residents? Some stay behind trying to sustain a miserable livelihood amid dust-storm or bare, eroded gully. Their plight steadily worsens, especially in the Appalachian area, where the natural increase is the highest in the country and many have had to return from the cities of the Middle West. Thousands wander about the country looking for casual work, earning up to £50 a year. Others bivouac themselves and their old cars, carrying their few chattels, in warm places like the San Joaquin Valley of California, where they somehow exist without home or sanitation, not qualified to receive the State relief and dependent on Federal charity, spreading disease. To tackle the problem at all adequately the Government should retire from cultivation up to 100 million acres of land, and move about 1,800,000 souls from the devastated areas, to rehabilitate them elsewhere. The unaided pressure of misery will prompt migration as soon as opportunity presents itself elsewhere. All the President can do is to alleviate and speed up this flight, and prevent its becoming a permanent feature of American life by checking the further depredation of resources.

At the moment there are no jobs for these refugees. Should industry pick up, they might move into the factories. New establishments would probably spring up all over the continent, since technical developments, in particular a more general application of electricity and a closer network of roads, are making profitable an intenser exploitation of resources in all localities. If so, a labour movement entrenched in the older industrial centres would have to meet ever fresh difficulties in spreading its organisation.

During September, 1937, the National Resources Committee issued a report entitled "Technological Trends and National

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Policy," pointing out what widespread dislocations and unemployment are to be expected in industry should a number of new inventions in various trades be applied. But this would only be the culmination of a movement which began with the War. Its most general aspect has been the increasing difficulty for men over 45 years of age to find jobs. Already in December, 1929, when the "era of prosperity" had barely begun to ebb, there were over 2½ millions out of work,¹ and since 1930 this figure has never fallen below 7 million. At the end of 1938 the first official census of unemployment in the U.S.A. put the figure at 13 million.² If this trend continues there will persist armies of men ready, without the help of newcomers from abroad, to undercut the wages and working conditions of organised labour. This factor will remain to weaken a labour movement precisely as it did in the 'twenties. It can be restrained on the one hand by voluntary action of employers, undertaking not to reduce their pay-rolls, or else to give dismissal allowances to men discharged. The U.S.A. has seen a small movement in this direction, culminating in the national agreement of June, 1936, protecting railway workers displaced by mergers or consolidations.³ Otherwise, action must be forced by popular pressure upon the political plane, and risk a striking departure from tradition.

Present indications seem unanimous in pointing, at least for some years to come, to much unguided movement on the part of America's huge band of workers displaced from field and factory, drifting about with little to lose and everything to gain from a better job. It is to be expected, then, that branches of industry able to use semi-skilled labour, and especially those lightly capitalised and able to move their machinery, will migrate away from unionised areas with higher wages into stagnant pools where

¹ A conservative estimate—the revised figures of the A.F. of L. Others gave nearly double that figure.

² This official survey is not to be trusted because many employers discharged their work force, or reduced it, on the day of the census, in order to make the depression look worse, and thus make Roosevelt the more unpopular.

³ The *Journal of the Electrical Workers*, March, 1937, p. 95, mentions an agreement forced on the Illinois Power and Light Corporation by the union, whereby men displaced by rationalisation should receive a dismissal wage. The Garment Workers' Union has enforced similar agreements for many years. The railway agreement of 1936 was considered a great triumph. It covered 85% of the U.S.A. mileage, and won substantial payments for the men.

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men can be had for a pittance. The "runaway" or "fly-by-night" employer has long been a recognised actor in the American scene. Depressed States in the South, like Mississippi and Alabama, advertise for him, promising "docile" labour. Louisiana exempts new industries on entering the State from 10 years' taxes. The present Government of New Jersey undertakes to suppress unionism in the State, and the Chambers of Commerce in California used to promise virtually the same. These overtures seem to attract chiefly the boot and shoe, textile, needle, and rubber trades.* Their machinery is light—boot and shoe manufacturers can even hire it—and they all suffer from the ravages of cut-throat competition and constant bankruptcies. Often they will move just outside the reach of the union, *e.g.* across the water from New York into New Jersey, or into the neighbouring country districts of New York State, or into the mining villages of Pennsylvania to attract the miners' wives and daughters. In this way New York city has lost a quarter of its jobs in the clothing trades.

The true remedy for the runaway industry pursued by the demon of uneconomic competition has been worked out by the United Mine Workers and applied, under pressure of public opinion concerned for a vast industry employing over half a million men, to the bituminous fields. American soft-coal mining has suffered from an especially tragic history—the constant opening up of new pits among newer seams and in non-union districts leaving behind a train of ruined towns and communities. The remedy is a statutory board to regulate the output for the whole country. Only the weight of the union forced the Guffey Coal Acts through Congress, and forced the companies to apply them under threat of a national strike. The unions in the clothing trades, although as enterprising and well organised as in coal-mining, have not been able to command the public interest necessary for statutory regulation, but by strong and wise organisation they have done much to stabilise the industry through unaided industrial action. New York courts will sometimes force runaways to return, on the grounds that they are breaking a contract with the union; and the

* Since the United Rubber Workers organised Akron, Ohio, the rubber-tyre-manufacturing centre of the States, the making of 1,000 tyres a day is said to have been transferred to Gadsden, Alabama, a company town where the lives of union organisers are never safe.

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National Labor Relations Board¹ made a decision in June, 1938, announcing that desertion of a work-place by employers may be regarded as an attempt to break the union, and therefore as an illegal act under the new law.² There is still plenty of scope, however, for firms to move to low-wage areas before unions can exact contracts from them. It is significant that in November, 1937, the Governors of six States in New England, an old industrial area which has suffered from industrial migration, formed a Conference to defend the interests of their region against the allurements of authorities in the South.

In short, then, unless political action offsets them, certain forces are bound to continue in operation and prove a constant embarrassment to a labour movement. The failure of industry and agriculture to maintain a maximum output and to reabsorb its displaced workers will encourage internal migration and low-wage areas. But new roads, official measures of land conservation or farm rehabilitation, and the spread of electrical power in town and village, will neutralise the tendency towards movement by developing resources in new and old centres all over the country, so as to build up a widespread demand for new labour. The Federal project of harnessing the Tennessee River to provide cheap power for local developments in one of America's most depressed areas² has led the way in opening up fresh demands for labour. A recent decision of the U.S. Supreme Court confirmed, against the opposition of the powerful public utility companies, the legality of municipal electric projects built with Federal funds—funds earmarked for the relief of unemployment by public works. Sixty-one projects were released from litigation by this decision—an omen that it may not be so easy in the future for vested interests to withstand a general use of publicly provided, cheap power. A strong Tennessee Valley Trades and Labor Council has been created in what used to be a viciously anti-labour area; such is the influence of a friendly Federal Government. The significance of electricity, therefore, for the future may depend on the political power organised labour can wield over State and Federal authorities.

¹ A development under Roosevelt, studied below.

² The T.V.A. borders on, and influences, Alabama, Mississippi, Arkansas, Missouri, Tennessee, Kentucky, West Virginia, Virginia, North and South Carolina, and Georgia, i.e. it affects two of the Rural Problem Areas—the Appalachian and the Cotton.

CHAPTER 2

POLITICS

SECTION I. THE AMERICAN SYSTEM

HISTORY decreed that industrial America should be democratic by decentralisation: the same historical forces moulded her political institutions. What the Crown is to an Englishman, the Federal Constitution is to his cousin in the New World—a document drawn up a century and a half ago to which the most intense loyalty is owed as an unchanging guarantee of the foundations of social life amid continental flux and upheaval. The Constitution, now much out of date, was designed to endure. Amendment is a slow and hazardous business, radical overhaul quite out of the question. The country has been built into a federal system fashioned with the primary object of safeguarding the sovereign rights of the individual forty-eight States, and of reserving to them all powers not specified in the document as the property of the Federal Government in Washington. Consequently, when new problems arise to demand some innovation in the exercise of sovereignty, they have usually to be met individually by each State. The Constitution, unable to foresee the future, has not assigned them to Washington. The typical economic problem of today, therefore, which requires a uniform solution for an area as integrated and unified as the U.S.A., has either to be bungled in forty-eight separate solutions by States jealous of their forty-eight individual initiatives, or else can be tackled successfully by the Federal authorities only when they have circumvented, or virtually violated, the Constitution. To be effective such circumvention has to find the approval of the courts; and in fact, just as the Executive Board of the American Federation of Labor functions mainly to register the decisions of constituent unions, so the legislation which emerges from Washington has tended merely to register the bargains that have been driven

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between individual States and the predominant interests they represent. America, then, suffers from an unparalleled fragmentation of sovereignty. The makers of the Constitution, followed largely by their counterparts for each separate State, saw to it that judiciary, legislature, and executive should occupy hostile, rather than complementary, positions. The jealousy of the forty-eight for their rights, and the attitude of the courts already mentioned, have inflamed the situation until efficient government for the country as a whole has come to demand absurdly unnecessary ingenuity in surmounting gratuitous hurdles.

When each State could be in the main content to develop its own unexploited resources, the political system met with some success. As its founders intended, it prevented, until the Civil War, any one State from becoming powerful enough to bully the rest. But when it was no longer a question of being left in peace to open up unlimited wealth, permanent problems which needed a national solution, such as unemployment, could hardly be left to each State to look after for its own sector. The diversity of development and wealth in each area made administration from a central fund the only fair solution. The Slump of 1930 brought things to a head, and the New Deal administration was forced to attempt something approaching a European solution of problems now similar to Europe's. However, the old fragmentation of sovereignty remains, and the New Deal has been so far unable to ensure in many places local administrations and authorities sympathetic to its ideals and policies. Indeed, a reformer like Roosevelt has been found supporting reactionary local bosses, conceived on ancient models, like Hague in New Jersey, Kelly in Chicago, Pendergast in Kansas City, and opposing a man of his own heart like La Guardia, mayor of New York, because he happens to belong to the opposite party, the Republicans. That the antiquated corruption of the City Hall, Chicago, should claim membership of the same Democratic party as the administration in Washington with its diametrically opposite policies, shows at once that the two national parties in America hardly resemble national parties in Great Britain. In fact, there is no national policy throughout the American party: its unity is mainly one of name, its membership is determined largely by out-of-date historical

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sentiment. Fundamentally, it is a machine for securing votes for individual candidates, whose aims and ideals may or may not agree among themselves. In the elections of 1936, a New York Socialist, although technically a member of Norman Thomas's party, would have voted Democratic for Roosevelt; in 1937 he would have voted Republican for Mayor La Guardia. Americans vote for, and follow, individual leaders; their parties are loose groups of cliques, concerned to make bargains among themselves, like the Tory and Whig Parties of 18th-century England. Again, this type of political organisation was successful in America so long as the country pursued its frontier ideals unanimously. There was no need of a labour party to fight for popular education; everyone believed in it, and it was granted without a blow. But what happens when the country divides on a national issue? In 1861 such an issue occurred, and it was settled by an extremely bloodthirsty civil war. Since then unanimity has once more reasserted itself. Today, the lag of political machinery behind modern needs remains more dangerous than ever.

If then the Federal Government can still not attain the necessary supremacy, may not the individual States alter with the times, and co-operate voluntarily? There have been in the past inter-State compacts, mainly to regulate the use of physical commodities like waters, disposal of waste by huge cities, or milk supply.¹ Of the forty-four compacts to which Congress has given approval since 1900, thirty have come into operation since 1918, but they have all suffered from the fundamental weakness that unless the Supreme Court hands down a binding decision as the result of litigation, or an overriding Federal authority is set up, with dubious constitutionality, like the T.V.A.,² it is difficult to know how far each individual State will consent to enforce permissive legislation passed by Congress. There is no way of securing uniform administration by coercion.³ How serious are these weaknesses

¹ New York and New Jersey have created the Port of New York Authority. States concerned with the pollution of the great Ohio River, and the Great Lakes, have informal agreements. States have compacts about four other rivers, and have secured seven decisions from the Supreme Court about the use of waters.

² *Vide supra*, p. 44.

³ Two racially homogeneous, and advanced, areas—namely, New England and the Pacific North-west—have established voluntary semi-official bodies to co-operate with Roosevelt's planning body, the National Resources Committee. As a result, four State Planning Boards had been created by 1934, to have plans worked out in advance for

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has been brought home since States turned their attention recently away from natural resources to social problems. It has already been mentioned that the governors of New England States have conferred to concert measures against the theft of their industries by low-wage areas.¹ This inauguration of action on the administrative level is probably a confession that legislative action has failed. For in 1927 some New England States, Maryland, and Pennsylvania set up an inter-State wages board to settle differences which might arise between the new State labour departments, but it had no compulsory powers and did little but promote conferences on labour legislation. At one of these, held in June, 1935, at Spring Lake, New Jersey, representatives of southern and sweat-shop States were invited. Texas and Georgia refused to attend; the Governor of New Jersey, welcoming the delegates and speaking for the State Manufacturers' Association, deplored "precipitate action" in the matter of levelling wages; the conference concluded by recommending Federal action to bar from inter-State commerce the products of States which accept inter-State compacts but break their provisions, thus confessing the bankruptcy of voluntary State co-operation.² The forces driving States into competition are old and ingrained: poor States are not readily going to sacrifice revenue drawn for decades from fees which depend on lax registration laws to attract outsiders, nor is the city of New Orleans prepared to watch its publicly-owned waterfront lose trade if unionisation raises costs. Nevertheless, pressure of events working through Washington may at last be forcing compliance. Already about twenty cities scattered through some fifteen States are the scene of operation of more than thirty-five Federal agencies each. Only villages are without some Federal office, and the policies of the New

submission to Federal authorities in case they might avail themselves of cheap power or Federal funds being spent on development of resources. This is a meagre harvest and in the most favourable areas. When Boulder Dam was being built by Act of Congress to utilise the waters of the Colorado River for power production, the legislature of Arizona refused to ratify the Act, obtained a court injunction to prevent the building, and fought a case against California up to the Supreme Court in order to prevent the diversion of water to Los Angeles. The Supreme Court in turn had to enjoin the State of Arizona, which had declared martial law where the Parker diversion dam was being built for Los Angeles.

1 *Vide supra*, p. 44.

2 The year before, seven States of the New England region had agreed to a compact providing for mandatory minimum-wage legislation. Two have since ratified it, three others enacted laws in conformity with its standards.

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Deal are taking Federal funds into the countryside. The State administrations are being forced to work with Washington, and in consequence with one another. In June, 1938, for example, with the operation of Federal unemployment insurance in prospect, thirty-six States adopted a plan by which workers moving from States where benefits have been earned may draw them by filing claims in new States. However, local interests are still very apprehensive of the coming of Federal control and initiative; for it may impose obligations on them.¹

In the past, then, although the people have possessed the ballot, Congress and the local legislatures have seemed in the main happy hunting-grounds for aggressive interests to snatch franchises, privileges, and taxes for themselves. It was significant that when during a recent session the President seemed to have lost control not only of Congress but also of his own party members in it, the one measure he got passed without amendment or opposition was the Naval Construction Bill earmarking 1,122 million dollars for contracts to heavy industry.² The constitutions of many States appear extremely democratic through including provisions for a referendum. But when in 1933 the trade unions in Colorado wished to put on the referendum a workable Bill for accident compensation, they had to secure 40,000 signatures among a very scattered, inaccessible, and easily frightened population. If unworkable or irresponsible measures issue from American legislatures, it must be remembered that their makers expect few of them to escape destruction by the courts or veto by the Governor or President. In a sense the legislatures can afford to misbehave; but this tradition makes them bad instruments for reformers and easy prey for established interests. Thus, until 1935 no general unemployment insurance legislation could be forced through Congress; yet for many years a scandalous lobby organised by ex-soldiers has been

¹ The unaided efforts of States to provide an adequate educational system have in many places come to grief. Consequently in September, 1936, Roosevelt was forced to appoint an advisory committee to report on methods by which Federal aid could remedy this. It reported in February, 1938, recommending the expenditure of \$55 million dollars. Many prominent educationists immediately opposed the report through fear of Federal control going with Federal funds. In September, 1937, representatives of southern States at the Conference of State Governors repudiated Federal aid, which might prevent a continued segregation of Whites and Negroes.

² March 27, 1938.

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able to extract veterans' bonuses and pensions, which have in fact amounted to a haphazard sort of unemployment and old-age relief. Moreover, certain disgraceful procedures which have grown up within the American legislature, such as the filibuster, or unfair methods of appointment to the leadership of powerful committees, also exist to be invoked by unscrupulous groups.*

It has already been shown, with reference to industrial relations, that absence of law has made for bad administration. Badly drawn laws have the same effect. A good example was provided by the Food and Drug Act, passed by Congress in June, 1938, and the last of a long line, which, like its predecessors, included safeguards for its enforcement inserted at the instance of drug manufacturers, thus making it virtually incapable of administration. Even when Congress passes good laws, the Federal civil service lacks experience. It is for this reason that unions today are having to undertake to secure relief for their men, and even ask employers who sign contracts with them to bind themselves to lend similar aid. State civil services are in far worse shape: the district attorney, their main law-enforcement officer, is traditionally a lawyer too weak to succeed in private practice and unwilling to take up prosecutions against his friends. In some States, such as Oregon, the principle of decentralisation has been carried to such extremes that the Governor leaves the head of each administrative department to make his own policy irrespective of the rest—his own rates of pay, hours of work, holidays, etc. Needless to say, such a system allows the maximum opportunity for graft, since supervision becomes almost impossible. Next, even where officers are able and willing to enforce the law, they rarely obtain the necessary funds. There are places such as California where local taxpayers' associations—business men desirous of preventing the enforcement of law restricting them—are employed by the Governor to draw up his budget. It is not surprising, then, that in August, 1936, the Industrial Accident Commission of California could list 200 employers in

* Recent instances are the Senatorial filibuster against Roosevelt's anti-lynching Bill in 1937-8, and the assignments to committees in the House for the same session. Ten assignments on major committees were claimed by eight Progressives and five Farmer-Laborites. The caucus of the majority party—Democratic—gave them three assignments, and in two cases senior Progressives were outranked by younger men from the Democratic Party.

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Los Angeles, who had failed to carry out the law, but knew the Commission had no money with which to prosecute them. It had never been budgeted. Again, most States, rightly distrustful of their legislatures, have written into their constitutions what forms taxation shall take. In States like Illinois, then, where it has proved impossible to amend the old constitution, out-of-date taxes like those on real and personal property—property which today yields less than a quarter of the income of the State—have to compose practically the whole of the State's revenue in direct taxation. Consequently, Chicago, one of America's largest and richest cities, has been for some years on the verge of bankruptcy, often unable to pay even its school-teachers or engineers, because taxes cannot be collected without litigation which the city could never afford. In 1929, moreover, within the region of Metropolitan Chicago there were 1,673 independent and unco-ordinated governing authorities. Each little *ad hoc* board becomes a vested interest, fearful of losing its place and resistant to change.¹ How can even a proper policing be expected in such administrative bedlams? It is the easiest thing in the world for influential employers to obtain permits for "storing, transporting, or selling munitions of war" without a public hearing, or to discover for the benefit of the police that picketing in a certain street is illegal. The state of inflamed labour relations as analysed in Chapter I is the inevitable result.

Washington can do little to remedy by direct action the shortcomings of States.² Each State, county, city, and village has to contrive salvation on its own. In consequence, any broad reform movement is faced with an exceptionally difficult task; it has to win a majority in every one of the smallest administrative divisions, when it has won over the legislatures and the courts. Observe, then, what has been involved in obtaining relief for the unemployed in the U.S.A. Until 1930 the indigent had to rely almost exclusively on private benevolence. In depressions they tended to be brought to the border of starvation, but in the *débâcle* of 1930-33 it became no longer possible to tolerate the old, inadequate methods.

¹ The *New York Times*, July 4, 1937, in a column entitled "Relief is Unified in Pennsylvania," writes, "The Goodrich plan . . . was finally accepted almost intact by the Legislature, despite strong opposition by the poor board directors, who saw their jobs and political influence disappearing."

² Especially when party ties bind a Roosevelt to a Hague or Kelly. *Vide supra*, p. 46.

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American individualism had taught, and it was universally accepted, that a man without a job was a good-for-nothing. It was necessary to the self-respect of the workman that he should be able to earn an independent income; to be on relief meant a disgraceful dependence on the gifts of others. Even now it is difficult for him to grasp that when national policy fails to abolish unemployment, public relief is a man's right. As late as April, 1938, the A.F. of L. reiterates * "the administration of unemployment compensation is entirely different from welfare work or charity. It is a business arrangement guaranteeing rights. . . ." So naturally does the American worker accept the values of private enterprise that he has to be reconciled to the notion of political rights by being persuaded that they are a "business arrangement"! Business instincts are inclined to regard unemployment relief in terms of balancing budgets by cutting costs and expenditure to a minimum. The Republican Party, therefore, dominated by northern business, advocated leaving relief to the individual firm or the local authorities, hoping to relieve the slump by reducing wages and spending as little as possible on maintaining the idle. The Democratic Party welcomed such efforts, but supplemented them by various forms of relief from Washington. The man-in-the-street at first regarded Federal relief with as much distrust as the business man, but has been driven by cold facts to revise his opinion.

Where the company undertook its own relief for those it had discharged, or forced the residents in the mill village to refuse outside relief, the financing of its dole tended to take the form of a compulsory levy on the wages of those remaining at work, or to be reckoned as a debt to the company on the part of the unemployed. In other words, the companies made it plain that they would use relief as yet another means to strengthen their grip over the lives of their employees. The method, at the best a starvation rate, became intensely unpopular. Relief administered by local authorities, on the other hand, was far more chancy, since it depended often on appropriations voted by farmers always hostile to the great cities which now had to be supported out of their taxes, or upon the good will of business men who believed in balanced budgets. States like Ohio illustrate the first, New Jersey the second. By the

* *American Federalist*, April, 1938, p. 362.

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beginning of 1938 hundreds of starving people in the industrial cities of Dayton, Toledo, and Cleveland were begging for food in the streets because the Ohio legislature repeatedly refused to consider city relief anything but a racket. In Englewood, New Jersey, when in the early months of 1936 the unemployed were having recourse to the garbage dumps for food, the local authorities merely recommended the use of more efficient incinerators. There would have been starvation riots in New Jersey in 1936 had not the Governor come into a windfall in the shape of 6 million dollars of inheritance taxes.¹ Deputations of unemployed in those and other States invaded the legislatures,² while social workers and Federal officials reported widespread disease and death from hunger. In such desperate straits, Washington does what it can with distributions from the Federal Surplus Foods Corporation, or the victims of a local breakdown in society themselves set up co-operative self-help organisations based on barter or improvised currency. Furthermore, even when local funds are forthcoming, their administration by officials is made subservient to local political wire-pulling, so that injustice to individuals is a commonplace. The wires are pulled by familiar hands; to join a union or go on strike is the surest way to lose relief benefits—even to wear a union button when at work on a Federal project may cause discharge.³ Appeal to Washington rarely brings review of a man's grievances once the representatives of Washington on the spot are under the control of local interests. Such refusal to comply with the instructions of head office sometimes causes the Federal Government to break off all relations with the local authority.⁴

An effective system for alleviating chronic unemployment, although a long-recognised necessity in Europe, required a revolution in thought and practice in the U.S.A. It was the most elementary step in doing justice to the working man and labour

¹ Due to the death of a soup king.

² E.g. Harrisburg, capital of Pennsylvania, where, according to the *New York Times* of July 19, 1936, "led by Governor Earle, the Democrats had proposed 55 million dollars for the needy, to be raised by a tax on wealth. The Republicans, dominant in the Senate, considered this extravagant. . . . While the legislators argued (for ten weeks) relief for 500,000 unemployed virtually stopped."

³ As at St. Louis, Missouri, according to the *C.I.O. News* of April 2, 1938, p. 5.

⁴ In March, 1938, the Social Security Board in Washington refused further funds to the State of Oklahoma, which had failed to keep its engagements in supporting the indigent aged, the blind, and dependent children.

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organisation. Yet opposition and the American political system have made its introduction disproportionately difficult. Here, then, is an excellent illustration of the obstacles that frown upon any step taken away from the old traditional way of life. On the other hand, in so far as it has been in the power of the President himself to inaugurate projects of Federal relief, a refreshing readiness has been displayed. Indeed, Roosevelt has gone further than many European Governments in recognising that chronic unemployment is here to stay, so that the quality of a nation's work-force can only be maintained if the idle man is given a genuine job of work to do, preserves his self-respect, and does not undercut the hard-won labour standards of his fellows by falling into pauperdom. Such a policy has called for a large expenditure of funds, in return for which various forces making for the well-being of the ordinary citizen have been much strengthened. The Republican Party, however, which in the elections of 1936 pledged itself to "adequate relief" measures, but advocated leaving them to local authorities, attacks Roosevelt on the grounds that he has relief funds budgeted in order to buy votes. Their aim has been to attach riders to appropriations in such a way that individual Senators and Congressmen may themselves buy votes by controlling the disposal of funds. This manœuvre is a time-honoured one in the States, but has had such shocking results that public opinion is almost universally in favour of reserving the spending of taxes to the executive, which is at least interested in efficiency and has of latter years put legislatures to shame. The New Deal agencies have in point of fact bent every effort, and with increasing success, towards non-political administration from the centre to circumference. But the *principle* of adequate or Federal unemployment relief is still a political issue.*

The reluctance with which authorities can normally be induced to apply pro-labour statutes has always been an incentive for workers to win some form of influence over them. A trade union may confine itself to action outside the political field proper, but use its

* It is plain that even Roosevelt himself has not been fully able to throw off business men's valuations in matters of unemployment assistance. On September 6, 1936, he said, "There will be no lessening of our work-relief programmes until all workers have decent jobs in private employment at decent wages." Yet he introduced drastic cuts in relief funds in 1937 in order to reduce the budget deficit, while unemployment still ran into millions.

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funds to keep a check, perhaps by publicity, on public officials. By setting up their own medical service, for instance, the United Automobile Workers are able to detect malpractices on the part of employers and officials, common in meeting accidents and occupational sickness. Or unions of skilled workmen, like the electricians, endeavour to have their own members appointed to governmental boards concerned with maintaining standards of work both in public and private enterprise, e.g. bureaus of light and power. It cannot help being obvious to labour leaders why in cities like Milwaukee, Wisconsin, and Schenectady, New York, where the Socialist movement has been influential, organised labour has flourished. Sometimes a union has been able to capture a city administration, such as Jenkins, Kentucky, captured by the United Mine Workers in 1935. The new administration for the first time installed a fire brigade, and offered reasonable relief to the destitute. Its entire police force belongs to the Miners' Union. There are even one or two States largely in the hands of a Farmer-Labor Party, elected by working people and responsible to them. In Minnesota, for example, the party has functioned for sixteen years, and elected four governors whose policies of taxation and social legislation have done much to improve the lot of their constituents. The importance of a favourable governor to the functioning of unions was brought out in several striking incidents of recent years in the State's industrial centre and capital, Minneapolis. In 1934 a bloodthirsty affray broke out between the lorry-drivers and the employers' association. At first Governor Olson used his troops to gaol the strike-leaders and forbid picketing. Later, however, he was persuaded to rescind permits for the moving of lorries when the determination of the union pickets proved that violence would have resulted otherwise. This is one of the rare instances in American history when the advent of troops has not sounded the knell of a strike. In the 1935 strike of iron workers in the city, although Mayor Latimer had been elected on the pledge "never to use the police against striking workers," so powerful was the pressure of manufacturing interests that he lent the police to shoot bullets and gas bombs at the men. During the lorry strike of 1936, both the Governor and the Mayor kept their armed forces in the background. Vigilance by strongly organised unions,

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therefore, is necessary even for the benefit of governments elected by workers themselves. But such governments provide the conditions under which strong unions may be kept organised. That is their main difference from governments whose allegiance is owed outside the ranks of labour. Finally, there are many unions in the U.S.A. which by their procedure discipline and train their men in democratic government as no other organisation in the country, educational or otherwise, has ever done.* Yet, despite these cogent facts, American politics remain what they are, and organised labour has proved on the whole a very minor, often a negligible factor, at the polls. The reason for this striking paradox deserves full examination.

SECTION II. REGIONAL DIVERSITIES

America's method of decentralising government has not only frustrated reformers, by the obstacles mentioned in the last Section; it has also led to lags in the development of wealth and civilisation in certain areas. In this way the variety naturally to be expected from her continental spread has been exaggerated. Now, this size and variety have contributed much towards the internal disunity of the two traditional parties: as for a national labour party, they have not only made it impossible, but have allowed the persistence in some districts of a situation where any form of working-men's organisation has been ruthlessly suppressed.

Wisconsin and Minnesota have had their Farmer-Labor Parties; New York has contrived to elect a series of enlightened Democratic governors. These have been the high lights of American government, but the black spots can be found from end to end of the continent. Take, for example, the North-east, the long-settled district of New England. The Vermont Marble Company employs 600 men quarrying in Rutland County of that State. For a year and a half the men tried to take up various grievances with

* Particularly by abolishing illiteracy and stimulating interest in collective action. Unions like the Amalgamated Clothing Workers conduct elections throughout the country with the help of the most up-to-date voting machines they can hire from city authorities.

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the company. The State Commissioner of Industry made his statutory investigation of the trouble, reporting only what the company officials had told him. On the advent of the New Deal a bogus union was formed by the employers in order to forestall a genuine organisation among the men. Things came to a head in November, 1935, when they struck against reductions of wages. A hundred deputy sheriffs were at once engaged by the company as strike-breakers, half of whom were paid for out of a special fund administered by the State Attorney-General. They made mass attacks on the town where the strikers lived, and committed the usual outrages against life and limb. There were a number of suspicious dynamitings which did no damage to property, but were used to stir up feeling against the strikers. A County Court obligingly imprisoned five men for "breach of the peace" after a jury had disagreed on the case, and took the unprecedented course of refusing to stay execution of the sentence pending appeal. The local administrators of Federal relief were in the employ of the company, and denied relief to strikers. It was no surprise to learn that the company was controlled by a single family dominant in commerce and politics of the region. The struggle continued for so long, and took place so near New York and other centres of democratic leaning, that much help was rendered to the strikers by students and staffs of colleges, and by popular organisations. How many New Yorkers appreciate that the jungle may be so near their doors? Mayor Hague of Jersey City, just across the water, will have begun to bring it home to them in recent months by sending a number of union organisers to hospital and driving prominent national figures out of the State. By the beginning of 1938 in parts of New Jersey Hague had exercised his tight control over all the machinery of government so closely in imitation of the tactics of European Fascism that freedom of speech had been banished, and reprisals were expected to follow any open criticism of him.¹

Vermont and New Jersey, a combination in varying degrees of the techniques used by employers in labour trouble² with the methods by which control is exerted through American machine politics, set the pattern that faintly or luridly, for weeks or for years,

¹ During April, 1938, a court in Jersey City sentenced to six months' imprisonment James Burkitt, for "uttering offensive language," i.e. criticisms of Hague's policies.

² *See supra*, Chapter I, Section II.

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has been imposed on American communities. There are two areas where this pattern has reached the proportions of embracing many States over many decades. The first of these areas comprises the Pacific-coast States of California, Oregon, and Washington, which have been developed by the investment of much capital and at a great speed into valuable territories yielding fruit and vegetables in the South, fruit and timber in the North. At the same time, the proportion of American shipping which calls at Pacific ports has been steadily increased, while the arts of advertising and speculation have turned Los Angeles in an unbelievably short time into the United States' second largest automobile centre, third largest manufacturer of furniture, and a centre of aircraft and cinematograph production. The speed with which large-scale capital has opened up this vast tract, and its isolation from the rest of the country behind two great mountain systems, have subjected it to an unchecked and unmodified commercialism. At the same time, its permanent settlers tend to fall into well-integrated racial groups, chiefly Anglo-Saxon and Scandinavian. Experience of collective and democratic action, therefore, together with educational accomplishment, is higher here than in most other States. Yet, except at times in San Francisco, labour organisation on the Pacific has traditionally been kept a mere shadow by an exceptionally powerful and closely organised group of employers' associations.

Such domination has been feasible because of the newness and isolation of the coast; because there has been no stable, peaceful and relatively unambitious class intermediate between groups thrown into clear-cut hostility by their employer-employee relationship—no class *e.g.* composed of small farmers, independent tradesmen, or bankers; and because financial concentration of ownership over large groups of enterprises has been carried to unusual lengths. The Merchants and Manufacturers Associations are commonly made up of men who have moved from the ownership of shipping lines and waterside property into banking (or from banking to shipping), and put their investments into lumber or commercial ranching. Consequently, the Chambers of Commerce and the Associated Farmers are merely new manifestations of that same group. At moments of stress a united front of employing interests can be formed along 900 miles of coast, so powerful that those

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dependent on them for custom or credit—and how many owners of property or enterprise are not?—tend to be forced into supporting their programme. Their control is rendered the more easy since they own the vast majority of the Press, and can readily win the sympathy of the many who have retired to the pleasant climate of the Pacific in old age and hate any upset of the peaceful *status quo*. Every branch of government normally consists of their retainers. Since the trade unions of San Francisco once elected a labour government, the employers have resorted to gerrymandering¹ in order to keep the majority of representation within the Californian Senate in the hands of rural constituencies. These are less trouble to handle and will readily fill the legislatures with country bankers who are subsidiaries of the city companies, and lawyers who are feed by great railroad or utility concerns.

Undoubtedly an important influence in attracting capital to the West, especially in building up Los Angeles from a village, has been a constant advertisement in word and deed that the “open shop” prevails there.² The famous McNamara and Mooney trials, which resulted in eliminating labour leaders, formed a spectacular part of this campaign. The national newspapers have frequently carried news of how celery-workers on strike near Culver City were attacked by police with tear gas,³ or how the combined forces of the State routed lettuce-workers on strike in the Salinas Valley.⁴ It is an excellent advertisement that the *New York Times* should mention that the latter strike in 1936 was “the first strike in California agriculture in which union recognition and not wages and conditions has been the issue”; and that the employers there “brought with them an attitude toward labor developed by the handling of Mexican peons from across the line.”

¹ Gerrymandering is the manipulation of the boundaries of electoral districts in order to influence the composition of some legislature and outmanoeuvre the expected results of a popular vote.

² An “open shop” is one where there is no “closed shop” imposed by a union, i.e. one where exclusive employment of union members is not enforced. It normally means refusal to have any dealings with unions. Therefore, an open shop is a virtually closed shop against unions.

³ May, 1936, e.g.

⁴ E.g. summer of 1936. The following quotation is from a column by G. P. West in the *New York Times* of September 18, 1936. Details of tactics used in this struggle may be found in the *A.F. of L. News Service* of October 17, 1936; *Nation*, September 12, 1936, September 30, and October 31. These latter give a good picture of the organisation of employers and their methods.

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From the day when General Harrison Gray Otis went about Los Angeles with a gun mounted on his car, and did everything he possibly could to provoke the hatred and retaliation of the workers through his speeches and his newspaper, the tactic of provocation has prevailed on the Pacific. It has often met with success. The behaviour of the General himself caused the Structural Iron Workers to dynamite "the Bivouac," that is, the *Times* building. The McNamara brothers were put on trial as a result of the explosion; unionism was crushed in Los Angeles, overthrown in San Francisco, and Otis became a national hero among conservatives and reactionaries throughout the continent. The provocation of unions, usually by the violent behaviour of strike-breakers or police, has become a regular feature of much American industry.

The Pacific States have been well known as some of the most reactionary in the country. But gloomy as their experience has been, a certain air of virile enterprise and personal independence adorns their manhood. America's other great region of reaction lacks even that saving grace—the gloom of decadence, almost unrelieved, better describes the South. The tract so referred to is both longer and of vastly greater depth than the Pacific States. It embraces the Old South—States below the Mason-Dixon line, *i.e.* south of the River Ohio and the boundary of Pennsylvania—together with those areas to which the planting of cotton has spread in more recent decades—parts of Missouri, Arkansas, Oklahoma, Texas, and Louisiana. What unites so many leagues, what has made them qualify for President Roosevelt's description¹ as "America's Economic Problem Number One," is a uniform characteristic of their rural economy. Each area is devoted to the production of a single, undiversified crop destined mainly for world markets—cotton and, to a lesser extent, tobacco and sugar. These crops are useless to the agriculturist unless turned into money on the market; he cannot live by using them himself. Consequently, the plantation of the South is a strictly commercial enterprise. In this respect it forms a close parallel to the western ranch, and it is not surprising that similar social relations arise in the two places.²

¹ See *New York Times*, July 10, 1938.

² Attitudes dictated in the first place by rural conditions cannot be prevented from infecting industry in the neighbouring towns. The close connection between rural and urban interests, and the importance to each of an identical front, have been demon-

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In the South, however, there are three additional complicating factors: the colour bar, slave traditions, and the lack of a guaranteed national market for produce.

For these reasons the South is distinguished by an extreme and perennial poverty in comparison with the rest of the continent, and by a psychological and economic gulf maintained between the southern ruling class consisting of plantation- and land-owners, purveyors of credit and to some extent manufacturers, and their Negro and Poor White dependants. This distinction is so pronounced that the region of the South requires, in a discussion of industrial democracy, quite separate treatment from the rest of the States. The near-peonage which has taken the place of economic slavery, and the social degradation of the labouring masses, render the region almost a foreign country to those who live north of the Mason-Dixon Line, and class it rather with areas of extreme imperialist and racial exploitation such as we normally look for in India and Africa. In this vast tract of the States, then, where many are by one means or another disfranchised, and an insolent caste tyranny has maintained itself by monopolising economic, legal, and police powers, civil liberty has been habitually suppressed and sweat-shop employers invited to migrate to a heaven of "docile" and depressed labour. Poor work-people have in turn been attracted north to provide cheap labour in manufacturing centres. Unfortunately there is not room here to go into the fascinating question of the South: beyond its attraction to the "runaway" employer and its reservoir of depressed and increasingly under-employed labour, and beyond the mention that so far it remains with only small changes an area where free political activity is the prerogative of the few and vigorous trade union action remains confined to small areas, it can figure only on the borderlines of the present study. Undoubted progress has been made since 1933 and since the newer unions turned their attention to the South: but not sufficient ground has yet been covered to change the general situation substantially enough to be instructive.

strated for the West. In the South this identity can be understood best in terms of a common attitude on the Negro and Poor White question, and on keeping labour costs below those of competitors in other regions. See below.

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SECTION III. THE AMERICAN FEDERATION OF LABOR IN POLITICS

The two main factors which have deterred the appearance of a labour movement on the political plane in the U.S.A. may be summarised as follows. First, temporary or permanent situations in which democratic processes are practically out of the question. They tend to reduce working-men's collective activity to good-fellows' clubs or, on the other hand, to momentary outbursts. Their essence has been exposed in the previous section.

Next there is the universal characteristic of the U.S.A. political system, that fragmentation of sovereignty of which some outline was given in the first section of this chapter. In 1936 Americans had to elect a president and the Federal House of Representatives; in 1937 various State officers; in 1938 they had to choose a new House of Representatives and re-elect part of the Senate; in 1939 more State officers; in 1940 the cycle begins again. These incessant calls upon the interest and loyalty of voters favour the popular personality who may be standing for a certain office, but must be the despair of any who aim to turn out the electorate time after time to vote into office a single programme which, however, has to be confirmed a thousand times at the polls. The head of the executive is not drawn, like the British prime minister, from the majority party in the legislature, but must be chosen by a separate vote; in many cases his own subordinates (or Cabinet heads) are also not appointed by him, but by the voter. Finally, much of the judiciary is elected, and in the past, whether elective or appointive, it has had to be counted a stumbling-block to the sort of policy a labour party in America might reasonably follow. In 1912, for instance, the justices of the Massachusetts Supreme Court gave it as their advisory opinion to the State Senate that the Trade Disputes Act passed in 1906 in Great Britain and exempting trade unions from action for tort would, if introduced into America, be declared unconstitutional both according to the State and Federal documents. The two traditional parties have proved the only political groupings of any permanent national importance since the Civil War.

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They have been able to survive, first because of the passionate historical attachments they can command—the Scandinavians who immigrated after the Civil War feel that the Republicans gave them their land; the Confederate States vote Democratic in memory of the War itself; the inhabitants of New Mexico will vote Democratic if they entered the State from the Old South, or Republican if they came in from the direction of the north-east or north-west. Again, the form of American government has been no fatal corrosive of unity within the two traditional parties, just because, consisting of a loose alliance between local groups and personalities, they have never aspired to a unity of the type which is encountered today among parties quickened by a national policy. In a sense, then, America has never had a party government, she has been ruled by an indefinite host of influential individuals and interests.

Moreover, in Britain each party can nominate its own leaders; it will put up to the polls old and tried party men, and is at liberty to use the power of selection to discipline its candidates whether in office or out. Not so in the States, where, by introduction of the system of direct primaries, it has been possible in the last two or three decades for the public to insert their own candidates under the name of any party which is to come up on the voting list. The electorate can first, therefore, vote names on to the party tickets, then vote the tickets. This reform was supported by progressives and trade unions throughout the States in order to break the power of the party machines and put the candidates for election more firmly into the hands of the voter. The result has surpassed their expectations in the sense that when the public has voted a progressive on to the party nomination, names rather than policies count for so much in the U.S.A. that reactionary machines and voters tend to fall automatically into line behind the progressive now destined to bear their name. On the other hand, the progressive, once elected, has nothing of an organised nature to support or discipline him. He is exposed to all the weight of reaction and must be something of a superman not to be assimilated gradually to the figure of the everyday "lousy politician."* If a man of President Wilson's

* This phrase is the American equivalent for the work-a-day, professional politician. *Vide supra*, p. 55, for examples of how, even when progressives in the Farmer-Labor Party do possess an organisation behind them, they find it difficult not to give in to the pressure of vested interests.

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character and strength was unable after eight years of skilful leadership to cajole the Democratic Party an inch along the road from its traditional conservatism, it is not to be expected that, with the more normal examples of progressivism, the tail will wag the dog. In fact, there is nothing more depressing than the long list of American labour leaders who, when left high and dry after election, have betrayed their platform.

The decentralisation of politics makes the British expedient of bargaining between the heads of national parties, *e.g.* as to the contesting of seats, impossible in the U.S.A. Organised minorities therefore lack potency in politics even when they exist and get elected. Bargaining between a multitude of individuals is far harder for the electorate to follow and control. Moreover, it was not edifying to see, for example, the heads of the Chicago unions between 1922 and 1928 undertaking to support the corrupt Governor Small and his protégé, F. L. Smith, in return for the defeat of a law to proscribe peaceful picketing and to create a State constabulary, and on condition that members of the Janitors' Union, correctly sentenced for genuine offences, should be pardoned.¹

Such spectacles, bound to occur under the American system, discourage the enlightened vote—a vote never easy to swing behind individuals standing for election within the old parties. It is unfortunate that through inability to launch a party of their own and consequently rally and make effective their scattered enthusiasms, liberals were driven to the opposite extreme: the attempt to break up their opponents' formations by use of the direct primary. American politics have been atomised further, the door to corruption opened wider, good men tempted to walk through. Of recent years the old parties have strengthened their position against possible upstarts by tightening the State laws which lay down the requirements² for nomination to the ballot.

These, then, are some of the reasons why thinking people in the U.S.A. have presented the astonishing attitude of disgust and uncon-

¹ For this example a debt must be acknowledged to Paul Douglas, to whose book, "The Coming of a Third Party," and conversations much of this section is owed.

² In particular in Ohio, which requires 200,000 signatures, West Virginia, which requires five separate petitions each containing 6,000 names, Illinois, South Dakota, Idaho, and Virginia.

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cern with politics; why enthusiastic progressives, when defeated at the polls, retire from active political life and devote themselves to business. They have no organisation to nurse, train, or direct them. The electorate, neglected and left without information, save through the Press, between elections, is more open to being hoodwinked when they come round. The traditional politician can always pose as a working man himself, and as the "friend of labor." Advocates of the labour party lay themselves open to the accusation of trying to stir up class strife. In theory the Republican and the Democratic Parties each represent the entire nation from top to bottom. The argument reverts to the individualism and absence of class feeling which have distinguished the U.S.A. in the past.* The trade union leader or the liberal is not *ipso facto* recognised as a working-class leader, but thought of as one mounting the ladder to economic independence, a position to which his followers themselves have traditionally aspired. Here is the fundamental cause that has been at work as much in American politics as in economics.

The A.F. of L., representing the more permanent elements among organised labour in the U.S.A., has recognised the situation for what it is. It has been an enthusiastic advocate of the direct primary, and opposes those who work for the incursion of organised labour as such into politics. It knew that on the whole its members had no grudge against the general scheme of things economic and social, and that even when their indignation had been excited by grievous injustices—even when they smarted from the use of troops against them in strikes—they would soon forget under the influence of economic conditions regarded as generally very favourable. The objectives of such men in politics are bound to be limited, not fundamental. At base, the A.F. of L. believed in dealing with situations locality by locality, and relying on industrial action as suitable, and more manageable, on such a small stage. It was only driven into formulating any general political programme by the action of employers' associations and the courts, which made no bones about lifting their anti-labour policy on to a national plane. They refused to play the game of *laissez-faire* in economic matters, which, with very little modification, formed the deepest desire

* *Vide supra*, Section II of Chapter I.

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of the Federation. Its "non-partisan policy" was the result—that unions should vote for their friends and against their enemies rather than for parties or factions as such. As their friends were so few, especially after election into office, the policy degenerated largely into futile recriminations against enemies. In its effect the policy was strongly partisan against the Socialist, Communist, or any genuine working-class party¹ because it ignored them.

At bottom, then, the attitude of the A.F. of L. to politics has been a negative one. This was natural since it believed its positive gains could best be won on the industrial field. It was natural also because the Federation as a body is mainly the sounding-board of a number of strongly independent and divergent international² unions, which in their turn comprised men of various tongues and creeds. Any constructive legislation of general appeal proposed by America's "business" unions has accordingly confined itself to an attempt to keep technical training in the hands of the unions, to draft into the constitutions of States clauses instituting the popular initiative, referendum, recall, and the direct primary, to have the postal savings-banks extended, to have the bitterly anti-labour telegraph and telephone companies nationalised, and to persuade Congress to create a department of labour independent of the business men's Department of Commerce.³ All who read through the *Proceedings* of the Federation's conventions must be struck by the meagre proportion of time devoted to any discussion of political policy, in comparison with affairs of primary interest to the constituent unions.⁴ Evidence all points to the fact that the Federa-

1 In 1895 the annual convention of the A.F. of L. had inserted into its constitution Article III, Section 8: "Party politics, whether they be Democratic, Republican, Socialistic, Populistic, Prohibitionist or any other, shall have no place in the conventions of the A.F. of L." On p. 16 of the *Proceedings* of the 1914 Convention, appears: "When economic organisation is achieved, every other good becomes possible for the workers"—a statement of policy.

2 International if they include Canadians. Many unions have a few members from many countries, especially of South America.

3 Even after the Department of Labor was created, the Federation was unable to control its conduct. The Immigration Bureau, which forms part of it, pursues an active policy of trying to extradite "labor agitators."

4 Other legislative aims of less general interest pursued by the A.F. of L. were the reduction of hours of work; better conditions for government employees who cannot strike, and for employees in firms doing government work; improvement of safety devices, sanitation, occupational disease, and accident compensation; the exclusion of convict-made goods from the markets; the reduction of immigration, especially Chinese. Reduction of the work week has finally been obtained mainly through piecemeal action in collective contracts. Conditions of work have been improved largely by advances in

tion's negative attitude to political action has gone so deep as to make it distrustful of law itself.

If there is any strand running prominently through American economic history, it is that, even when the law has been favourable to the working man, it has almost invariably been administered, and quite invariably been interpreted by the judiciary, against his interest. Until about 1907 "labor laws" were little more than enactments into statutory form of common-law precedents made by judges in the courts, and dating back to pre-industrial days when employers were "masters," employees "men," and when combination as a normal mode of arriving at a peaceful contract was unknown. It is most regrettable that even today the American courts still tend to behave as though their environment were that of the post-mediaeval squirearchy: they still fear to go beyond the antiquated spirit of the common law which seems to regard any collective action in the industrial field in the light of an insurrection or riot. In the past, then, it has been found by legislatures that any laws they might pass to promote labour interests positively would be invalidated by the courts. Laws passed, for instance, at the behest of the A.F. of L. to establish the 8-hour day for Federal Government employees were either destroyed by the Supreme Court in 1887, or invalidated in 1888 and 1892 by interpretations read into them by U.S. attorney-generals and upheld by the judiciary. All that the A. F. of L. could do in such a situation was to try to fortify itself against legal attacks—that is, to evade regulation by any law whatever. It was mentioned on page 33 how the Sherman Anti-Trust Act was perverted from the intention of its makers and turned against the trade unions. One of the main concerns of the A.F. of L. has therefore been to urge legislation exempting unions from the provisions of the Act. Many States, beginning with Nebraska in 1897, have defined unions out

general public opinion. Middle-class sentiment organised by the Consumers' League and the American Association for Labor Reform has done far more than the A.F. of L. to secure legislation against sweatshops. Individual unions, especially in the mines and needle trades, have greatly improved conditions, also, by industrial action. Compulsory health insurance and old-age pensions were opposed by the A.F. of L. as "socialistic," as well as minimum wages for women. The membership of its unions did not contain many women, and most of its men could provide for their own health and old-age. It has hardly discussed unemployment insurance, and has, until recently, ignored the use of troops and detectives in labour struggles.

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of the compass of anti-trust laws, and in 1914 the U.S. Supreme Court agreed that States had the right to decide "whether a combination of wage-earners . . . called for repression by law." After thirty years of legislative futility the U.S. Congress passed a law specially exempting unions. Then in 1921 came the blow from the Supreme Court. It decided in the case of *Duplex Co. versus Deering* that unions were still actionable under anti-trust law when they "depart from its (a union's) normal and legitimate objects." This ruling subjected the fate of unions once more to legal subtleties. Again, from the year 1887 onwards the A.F. of L. began to secure the enactment of laws to protect workers from penalisation in the courts when they had "broken" Yellow Dog Contracts.* But the judges wiped them all out, decreeing that the fear of fines should be held over the heads of members and organisers of unions even when no irreparable damage could be proved. By combining the Yellow Dog Contract with a permanent injunction against organisation granted by the Supreme Court, the coal-owners throughout most of the State of West Virginia were able for years to ward off the efforts of the vigorous and resourceful miners' union.

* It is unfortunate that the A.F. of L. was driven to carry its reliance on industrial action to the point of wishing to stand outside the law, for it could not help giving the general public the impression that union activity of all kinds is not law-abiding, aims to evade public scrutiny, is, in short, indistinguishable from a racket seeking by illegal pressure to win unfair advantages for small groups of privileged workers. The frequent violence in which the unions are involved, usually reported in the popular Press as if they themselves caused it, seems to corroborate this common view. Feeling is alienated from organised labour. Besides, the Federation was unduly optimistic when it believed the courts could have their tenacity shaken by a mere passage of laws. Nothing short of changing the U.S. Constitution can decisively shake them off, so

* A Yellow Dog Contract is one in which an employee is forced, on pain of discharge, to sign a contract that he will join no unions. Connecticut, Kansas, Massachusetts, Missouri, New York, Ohio, Oklahoma, Oregon, Pennsylvania, and Wisconsin passed laws making this signing away of liberty unenforceable in the courts. Congress passed a similar law in 1923. Later Acts were passed in Ohio, California, Illinois, Massachusetts, and New York making these contracts unenforceable when no irreparable damage could be proved. All were invalidated.

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that had the A.F. of L. logically pursued its policy to a point of effectiveness, it would have had to advocate revolution.

"Since the Seamen's Act, Clayton Act, Child Labor Law and many other laws beneficial to labor have been declared unconstitutional, it seems to be quite imperative for labor to go into politics as an independent body, rather than to continue to divide its strength between the old political parties and getting nowhere. . . . The U.S. is the only industrially developed country in the civilised world where the workers have not built a strong political party of their own. To create a real third party is no easy task, for the mass of the workers in America have never been trained to show their solidarity at the polls."

This comment from one of the Federation's members¹ hits upon the most regrettable aspect of all—that the official policy has done nothing to educate or train the rank and file to advance the cause of democracy. But since the exercise of freedom is the best training to qualify a man for it, the Federation's "non-partisan policy" must count as something more than mere negligence—it has stultified. Political education has been left to each individual union. Many believe that instead of a defeatist acceptance of an admittedly discouraging situation, the Federation should have gone boldly ahead with the turn of the century, and tried to weld their multifarious membership into an articulate party. In England, when the Taff Vale Case brought the courts into the arena against the unions, the workers were moved to form an Independent Labour Party. In the U.S.A., despite scores of Taff Vale Cases, consciousness among the workers of their true position has not been defined enough for them to be thus moved.

The above criticism of the policy of the A.F. of L. was made in 1924. But already, as a result of the elections of 1910 and a favourable Senate Committee on Labor secured in 1913, the Executive of the Federation declared itself satisfied that Congress had passed its main programme. "By 1917," says an official pronouncement,² "practically every demand set out in the petition to Congress in the Bill . . . submitted in 1906 had been enacted into law."

¹ From an article in the *Upholsters' Journal*, February, 1924, p. 264.

² "Legislative Achievements," p. 5, issued by the A.F. of L.

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This Bill, known as Labor's Bill of Grievances, was a sort of ultimatum presented by the A.F. of L. at a date when the National Association of Manufacturers was in complete control of Congress and was prosecuting a particularly formidable open-shop drive. It marked an intensification of the old non-partisan policy, stating nine demands which Congressmen must endorse and get enacted if they would escape the wrath of the unions at the poll.¹ In the 1912 elections the Republican Party was split by the Bull Moose faction, and the Democrats, headed by Wilson, won the day—a party dominated by southern agrarians, at that time without industrial interests and eager to score off the northern manufacturers. At the same time it chanced that the powerful lobby of the industrial interests always maintained in Washington came under a cloud through the Mulhall disclosures, which had revealed how Congressmen were in the pay of the lobby. Wilson told the lobbyists to leave Washington, and for the moment they did. It was the combination of these accidents, for none of which could the A.F. of L.'s non-partisan policy be held responsible, which allowed the rapid passage of such measures as the Clayton Anti-Trust Act,² the Federal Employees Eight-Hour Day Act, the LaFollette Shipping Act,³ the Child Labor Act,⁴ and the Model Workman's Compensation Act. This programme, however modest, and owed as it was to chance, still left the Supreme Court free to overturn it. No further pro-labour legislation of any importance was passed before the advent of the New Deal, except the Norris-LaGuardia Anti-Injunction Act in 1932.⁵ This Act, however, was framed by the jurist Felix Frankfurter and sponsored by middle-class liberals. The A.F. of L., aloof until it was passed, then claimed it as their own. Not much significance, then, can be attached to the statement by the Executive of the Federation that they were satisfied

1 For details see the A.F. of L. pamphlet, "Text-book of Labor Demands." They contained no new departure from the list mentioned on p. 66.

2 The passage and fate of this Act were mentioned on p. 33.

3 This Act did much to improve the living conditions on ships, helped the unions by enforcing that a certain proportion of crew should consist of able seamen, and guaranteed to seamen the right to leave a ship at any port.

4 An attempt to use the Federal Government's power to regulate inter-State commerce—one of the few channels by which the Constitution permits Congress to regulate industrial matters—so that goods should be prohibited from crossing State boundaries if incorporating the labour of children under 16.

5 This Act has practically stopped the interference of Federal injunctions in labour disputes. *Vide supra*, also pp. 34 and 35.

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with the way in which their non-partisan policy had secured the desired legislation. On the other hand, as far as working conditions and wages go, it is probable that in trades where unions have maintained a fairly strong organisation, standards have been raised by the union contracts well above what could have been won by legislation, even had the courts countenanced it.

But such trades are few. In 1910 the membership in A.F. of L. unions covered less than 10% of organisable employees in the U.S.A. ; in 1920, at the apex of its power, less than 20%, to sink once more to some 10% in 1930. Only political action through a workers' party could have improved the conditions of employment and social status of the great mass, and these the Federation abandoned. Their attitude had not always been such. Samuel Gompers, who dominated the rise of the Federation, began life as a Socialist. In 1887 he said, "I believe with the most advanced thinkers as to ultimate ends, including the abolition of the wage system." But by 1894 he had made up his mind that only a narrow business unionism would save the A.F. of L., and henceforth he was the outspoken enemy of Socialists within and without. The main reason for Gompers's conversion was undoubtedly his perception of the individualism nursed by the American worker. He was convinced that only by harnessing this in a programme of job control could a permanent working-men's organisation be built up. He seems to have been proved right by the lack of vitality from which all other movements with further ends than job control have suffered in the States. Between 1886 and 1890 Gompers saw the apparently formidable Knights of a Labor lose six out of every seven members. The Socialists of the time were full of internal divisions, and never nominated candidates from their own ranks. Those who despised mere job action seemed to the organised minority of skilled workers vague talkers and quarrelsome, unpractical theorists. From that day they conceived an undying distrust of "intellectuals" which has most unfortunately continued to rob the unions of educated talent and leadership, and driven a wedge between liberal sentiment among the middle classes and the A.F. of L. This hardening of attitude in the Federation was undoubtedly hastened by personal feelings on the part of its leaders, in particular Gompers himself. Although devoted to the cause of

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labour as he saw it, he was possessed of a strong instinct for power,* and took criticism and opposition with bitter resentment. The present leaders of the Federation seem to have inherited this characteristic, also, and it is understandable in a situation where men are under a continuous barrage of hostile and violent opposition from surrounding forces far more powerful than themselves. On the other hand, an incapacity to forget anything and to learn anything from outsiders becomes mere pettiness, and no small handicap in men who aspire to be leaders of a progressive movement. Now, in 1893 Gompers was unseated from the presidential chair by the slogan, "The collective ownership by the people of all means of production and distribution". After his return to the presidency in the following year, he continued to suffer much ridicule and criticism from the Socialists, who in disgust withdrew part of their forces from support of the Federation and formed a rival Socialist Trade and Labor Alliance. Gompers never forgot; he exerted himself to set the A.F. of L. against the Socialists. So deep was his distrust of any but industrial leadership for his unions, that he and the other conservative leaders of the Federation did all they could to sabotage even the formation of a labour party after the War.

It may not seem easy to decide whether it was only a series of accidents, in particular the mistakes of leaders, which robbed America of a political labour movement. It has been argued that quite apart from the quality of the A.F. of L. leadership, DeLeon made a fatal blunder in leading the Socialists out of the Federation and causing them to create a rival organisation, thus setting up undying enmity between the two. History might have been different had the example of Victor Berger been followed, who took the unions as a basis, and on them built up a strong Socialist Party in Milwaukee, with the result that local unionism flourished and Socialists were elected to municipal offices in 1910. In 1901 various factions united to form the Socialist Party of the United States at Indianapolis. During the next years this new body showed promise of solid organisation and power of growth. Meanwhile, Socialist conviction was penetrating a bloc of unions within the A.F. of L.

* Some who knew Gompers, and are familiar with the present A.F. of L. leaders, affirm that one reason for their opposing political action is that thereby they would lose personal credit for gains won for labour, which are more obviously due to the labour leader when incorporated in a collective contract he has secured.

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—coal- and metal-miners, needle trades, machinists, painters, brewers, and bakers—whose candidate for the presidency in 1912 polled 5,073 votes to Gompers's 11,974. But at the same time, DeLeon's dissidents were organising unions among the unskilled workers outside the A.F. of L., such as the Industrial Workers of the World (I.W.W.), which Gompers could denounce as rivals intended to split the true American labour movement.

That Gompers had some justification, at least on paper, for his denunciations can be seen from the preamble of the I.W.W.'s Constitution, which includes these words:

"Between these two classes (employers and employees) a struggle must go on until the workers of the world organize as a class, take possession of the earth and the machinery of production, and abolish the wage system . . . (the business union) allows one set of workers in the same industry to be pitted against another set of workers. . . . Moreover, the trade unions aid the employing class to mislead the workers into the belief that the working class has interests in common with their employers. . . . By organizing industrially we are forming the structure of the new society within the shell of the old."

It might seem from a quotation such as this that, after all, the individualism of the American worker and his acceptance of business standards have not been the powerful and pervasive force that has been claimed: that with encouragement he might have supported a national labour party or turned the Socialist Party into one. But these dual unions nearly all came to grief; the I.W.W. itself, unable to establish or finance any central control, resembled a series of disconnected crusades arising to secure civil liberty in areas of repression, rather than a trade union. The preamble must be read rather as a utopian aspiration than a principle upon which its members worked. Compare the preamble to the Constitution of the Amalgamated Clothing Workers, a member of the Socialistically inclined needle trades, which says,

" . . . the economic organization of Labor, the Union, is a natural weapon of offense and defense in the hands of the working class. But in order to be efficient, and effectively serve its purpose, the Union must in its structure correspond to the prevailing system of the organization of industry."

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The tactics of a business union, rather than termination of the wages system or erection of a new form of society, are the concern of the authors.

Finally, the dissident Socialist group foundered because of the attitude it took towards the War. Socialism within the A.F. of L. waned under the influence of Gompers's growing prestige and because he could claim the war-time prosperity and growth of the A.F. of L. as a direct product of his policy of collaboration with the Democratic Government. The wave of post-War radicalism which swept through the Federation soon spent itself against the wall of brutal opposition successfully sustained by the employers' associations. A mood of unparalleled hysteria and fear of "Bolshevism" darkened public opinion and engulfed the unions—at no time did they pay more heavily for their refusal to make alliances with "intellectuals." Such tragedies as the Great Steel Strike might have been turned into triumphs had well-managed propaganda put the facts before the people. In 1920 the Socialist Party's candidate for the U.S. presidency polled nearly a million votes: thereafter the party declined. A Communist Party was formed which rose to a membership of 10,000 by 1930. The railway unions, which had suddenly become radical through experiencing the respite of governmental management during the War, came out for nationalisation of the railways in 1919. The A.F. of L. Convention of 1920 voted strongly for it, despite the opposition of Gompers and his clique. Between 1918 and 1923 the railway unions, aided by the Socialistic members of the Federation, made two attempts to establish a Progressive Party as a national third party. Although Gompers did what he could to defeat these efforts, the main cause of their failure was the defeat of the railway brotherhoods in the great railroad strike towards the end of 1922, a defeat due to their internal dissensions upon which the companies could readily play.

If the Socialists had not left the A.F. of L. and Gompers had not set himself against them, is it possible that the Federation, as the only permanent nucleus of organisation in American labour, might have supported a labour party and organised the unskilled masses? Even if this had been possible, it must be recognised that the nature of America's regionalism and political system might

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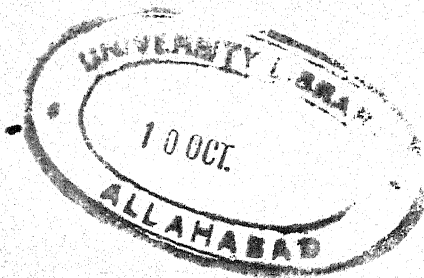
have brought such a party to grief. It seems, too, that only if the masses had received some training and discipline in collective action by a prior organisation on industrial lines, could they have been held within a labour party. It has already been said that unions like the I.W.W., when set up among them, soon faded. Could the A.F. of L. have succeeded where the I.W.W. leaders failed? It will be shown later that the power and funds which the Federation has at its disposal for organising in new fields are negligible; only the individual unions within it can organise effectively, and their membership was such as to preclude interest in the unskilled. When these sovereign bodies came together on rare occasions to launch a combined campaign, jealousy and illiberality of funds usually defeated their ends.* There can be no possible doubt that the majority of the membership of the Federation and the leaders they elected both shared Gompers's views, and still continue to do so. Their leaders were merely replicas of Gompers, if of a slightly smaller stature, and would have taken his place had he not been there. Gompers may have sharpened and articulated their attitude, but they undoubtedly shared his basic prejudices and pettinesses. The effects of leadership were no more accidental than other features of the unions. The only type of labour organisation which could survive in the American scene was that of a few skilled men and, under limited conditions, of semi-skilled; that they should cut themselves free of the masses was probably essential to their life. If this was a betrayal, then it is a betrayal when the manufacturer uses his trade association to lift himself out of the crowd of small men and rise into large-scale production. The typical attitude of the A.F. of L. membership to their unions was little different from that of the manufacturer to his association.

Once these corollaries of individualism are grasped, the rest of the picture falls easily into place. The Socialistic members of the Federation were not assured enough to act independently of the majority. The universal weakening of radical sentiment in the U.S.A. during the prosperity of the 'twenties goes to show that they were wise. The feebleness of parties and organisations among

* E.g. in the post-War steel and railway strikes, already quoted. What seems nowadays a meanness in U.S. unions was an inevitable outcome of the limited and individualistic aims of their members.

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workers outside the Federation is to be expected if the Federation itself represented the deeper aspirations of those capable of lasting organisation, and therefore tended to embrace the men who were fitted to give realistic leadership. Secessions like De Leon's would naturally occur, and have continued to do so. Had the Federation not been uncompromising about its own interests, and sharply defined its enemies, it could never have lived in the American atmosphere, clouded with hostility from the powerful, and confused by a widespread distrust of genuine collective action. That Gompers could never forget was only an expression of the Federation's intolerance, necessary but none the less unfortunate, since it drove them into a narrow sectarianism, and led them to reject progressive ideas from outside. Victor Berger and the Socialists of Milwaukee were able to work among a uniform group of German Socialist immigrants, well trained in collective expression. Such a situation was hardly paralleled, even on a small scale, in other regions of the States.



CHAPTER 3

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SECTION I. SOCIAL STRATIFICATION

It has been shown that in the nature of American society there were certain insurmountable difficulties which, until 1933, stood in the way of a strong labour movement. These difficulties were not only institutional, but were deeply embedded in a state of mind which pervaded the mass of the nation. It has been mentioned also that as early as the last decade of the 19th century technical organisation was beginning to change in the U.S.A. in such a way that the presuppositions of this state of mind were rapidly becoming out of date. But it prevailed on through the 'twenties, drawing justification from the apparent prosperity of the country. Then suddenly something catastrophic occurred, and it began to be borne home to Americans that forty years' lag in economic and political institutions, sanctioned by the hypotheses of "individualism," was not only sapping the efficiency of the nation, but rendering it dangerously incapable of tackling new and pressing problems. It is obvious that nothing but an exceptional jolt could have brought such a searching of hearts throughout the country, and forced men so far contented with a generally maintained or rising standard of life to question the philosophy and leadership of business on which they had always relied.

• That jolt was administered by the slump of 1930, and it was exceptional in two respects. First, post-War prosperity had served to conceal disharmonies in America's economic structure which had been none the less growing. They were revealed to plain view by the business recession, and not only intensified the normal business cycle, but demanded radical solutions and new, enduring machinery to supply them. Already in the boom years 1922-29 pools of permanent unemployment had begun to appear in certain

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trades.¹ These in turn reflected deeper disharmonies. During those years, for example, while the production of capital goods had increased by about 70%, that of non-durable consumers' goods had been magnified by no more than 25%. It would seem, then, that the advance of wages had not kept pace with the building up of profits for investment by companies, or with the growing surpluses which could be put aside for investment by the wealthy. At the same time, an increase of about 60% in the volume of production of durable consumers' goods, like houses and cars, showed that the incomes of those comfortably off had outrun wages. Worse still, incomes derived from farming rose only about one-tenth as fast as industrial wages. Even during the boom years the farmers never succeeded in delivering themselves from the burden of debt incurred during the War and felt even in the short depression of 1920-21. That American agriculture, not only in the South but as a whole, was in serious trouble is attested by the bank suspensions throughout the country between 1922 and 1929—over 5,000—and by the great migration of rural labour into the cities. After 1929 it was their loans to farmers that did more than anything to bring the American banking system to the brink of ruin. Rural bankruptcies piled up, and in 1935 so far had farms passed into the hands of insurance companies and banks that two of the former were operating 8,320 farms, four of the latter another 4,000.²

It is impossible to relate here the devastation of American life caused by the business recession inflamed by a feeble banking system, a mortgaged and often ill-conceived agriculture, and a swelling core of technological unemployment. What added to this material devastation, and had an even profounder effect on the national mind, was a second factor—namely, the resounding failure of the measures advanced by the Republican Administration under President Hoover to meet the situation. Here was an engineer and organiser of international reputation, drawing on the best financial and business brains in the country—men who had

¹ *Vide supra*, p. 42.

² These are merely two examples taken from the list issued by the Agriculture Adjustment Administration of Multiple Landowners reporting farms under A.A.A. contracts in 1935. The persistence of these economic disharmonies was noted above in the Introduction, where the business recession of 1937 was analysed.

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taken the credit for an "Era of Prosperity"—energetically applying all the remedies of "sound finance," reducing the income tax, balancing the budget, raising tariffs, reducing costs, doing everything in which America had always had faith. The result was that matters went from bad to worse, distress became appalling, and, in addition, a number of scandals connected with bankers and the stock exchanges came to light. Hoover, moreover, refused to recognise that the U.S.A. had in the spheres of banking, agriculture, and unemployment three permanent problems which had reached a stage of seriousness that would probably take decades to remedy. His measures tended only to aggravate them. Now, it must be remembered that Hoover acted energetically and honestly according to his and the national business philosophy. Yet by the end of his administration the country was utterly prostrate, the business leaders so humbled that they were willing to fall in with any "New Deal" that might be offered them, the masses so disillusioned with business leadership that it is likely they will never again recover the same confidence in it, and so suspicious of successful men that the beginnings of class hostility seemed to be replacing the old classless individualism. Relief might be refused the starving, and wages might be reduced, in an honest effort to lighten the loads of business and promote a natural recovery. But when the recovery tarried and wages fell by 60%, interest receipts by only 3%,¹ the man in the street began to draw his own conclusion. When he was told that even before the Slump American industry never produced beyond 81% of its total capacity,² and that "one third of the wage-earners' families found their incomes insufficient to meet the minimum requirements of their standard of living,"³ he began to distrust the system itself and its leaders.

This change of popular mind, revolutionary as its implications are, must be regarded as genuine and permanent. It is revolutionary because the economic system having failed in its old form to maintain effective demand, some new collective action, in direct contradiction to the old tenets of American life, would have to be

¹ Between 1929 and 1932, as reckoned by the National Bureau of Economic Research.

² The well-known estimate of Dr. Moulton of Brookings, in his "America's Capacity to Produce."

³ *Annual Report of the Secretary of Labor*, June 30, 1937, p. 5.

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introduced. Such a change of mind, although long overdue, was not effected without a deep operation. The piercing distress and disillusion of the Slump, however, coming after a successful War and the Era of Prosperity, were sufficient. There is no doubt that bewilderment has been and continues to be a major ingredient of men's feelings in every sphere of American society. Bewilderment, no doubt, as well as apathy and fear engendered by bad treatment in the past, has been much responsible for the extraordinary absence of any outburst of discontent among the masses after 1929. The record of strikes and lock-outs for the next 6 years, for instance, did not reach the proportions which marked the years of War and post-War unrest. Yet, a general sentiment may be detected that the old order has passed, and a readiness to look for some new one is evident among the great majority. An important reflection of this paramount fact is to be found among the Federal and State civil services. "Less than five years ago," writes Isador Lubin of the Department of Labor in 1937,* "unemployment insurance, as a matter of legislative policy, was almost unknown in this country. . . . Until recently wage surveys were concerned mainly with average hourly earnings. During the past few years changing conditions have made it imperative to secure data on annual earnings," without which a national unemployment policy plainly cannot be framed. He goes on to mention "among the numerous problems in which interest has been growing and in regard to which further information is especially needed," that of the sweat-shop, the casual, migratory, and elderly worker, and the man displaced by machinery. The change of mind has penetrated to Washington.

When the wage-earner feels himself in opposition to business leadership and admits to himself that there is no reasonable chance of his ever rising into its ranks, then the beginnings of labour solidarity, however hampered by lack of roots in the past, are truly in existence. The need for collective action on a national scale is forced upon him: the soil for a successful labour organisation is cleared as never before. Whether it will bear fruit, on the other hand, may depend on the middle or "white-collar" class in

* *Annual Report* from Washington, June 30, 1937. Quotations are from pp. 78 and 79.

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countries where that class is important. In the U.S.A. its importance grows every day. For "in 1930 almost one worker in every 6 was in this group—more than 1 in 8 of the male workers and considerably more than 1 in 4 of the female workers. Among native white workers 20·8% belonged to this group."¹ It has grown from something over a quarter of a million in 1870 to over 7½ million in 1930, bulking a constantly greater proportion of the nation's work force. As rough percentages of the total working population were found:

	in 1870	in 1935
wage-earners	45	60
salaried middle class, professions	5	20
farmers	35	15
entrepreneurs or business men	15	5 ²

The older professions have little more than held their percentage over the period, and a growing fraction of these have become virtually salaried workers dependent on employment by a single large corporation. The great majority of these new recruits to the middle class, then, consist of clerks, chemists, engineers, and other technical workers called into being by the increasingly complex and scientific nature of modern business. Their status is such that they are directly dependent for their livelihood on an employer. As for economic insecurity, therefore, they are in precisely the same plight as the mass of wage-earners. On the other hand, there is normally no direct communication from the wage-earners into the white-collar ranks, since the transition can only be made with the help of a certain educational accomplishment and technical training. It is usually the child of the better-paid workman, therefore, who can afford some college training and pass into the middle class. Once there, should he rise into the best-paid groups, he may have intimate contact with business heads and identify himself with them; on the other hand, his income may remain modest and he may remember his working-class origins. The extreme difficulty of becoming today a small but genuinely independent agent in business or professional life,

¹ From "The White-Collar Workers," *Monthly Labor Review*, March 1934, of the Bureau of Labor Statistics, by Alba M. Edwards.

² These categories and figures, based on the Censuses, are necessarily rough because census classifications are sometimes ambiguous for such a purpose. But they show how the middle class has increased much faster than wage-earners.

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is demonstrated by the proportion that such men can be estimated to form out of the aggregate of gainfully occupied Americans—between 10% and 15% only.¹

It is not surprising, then, that after 1929 unemployment showed itself almost as distressingly among the white-collared as among the wage-earners. The Slump drove home the bitter lesson that the middle class was on the whole destined to experience the same needs and fortunes as the humblest categories of worker. Hosts of young people, as soon as their training was finished, had to look for a job anywhere. On the west coast, for example, they thronged into unskilled work along the water-front.

“The ex-football players looked upon their jobs as temporary. They had little in common with the semi-literate workers. In fact, there was plenty of bad blood between the two groups. . . . The youngsters knew little—and cared less—about the unions. But the depression didn't end. More and more college and high-school boys applied for jobs. . . . Wages dropped. Hours lengthened. Speed-up was in the air. Within the past two years (1933-35) most of these young men have come to the conclusion that unionization is a good thing.”²

Here is a summary of what must have been a common experience throughout the U.S.A. In other countries where social stratification has been clear and recognised for decades or centuries, and where the centralisation of economic control has not been carried to a degree which renders the vast majority of the working population dependent for income on the policy of a relatively small band of companies, the white-collared seem to remain unsympathetic to the aspirations of working-class movements. But in the U.S.A., social and economic bases for such an attitude are present far less. Just as in the nineteen-twenties the hopes and the social creed of the salaried were much like those of the receiver of wages, so

¹ No exact figures are available for such a category; but reliable estimates exist, e.g. in “Recent Social Trends,” *op. cit.* by Ralph G. Hurlin and Meredith B. Givens. Of the owners of literally independent businesses, 60-75% rank as farmers, most of the remainder as retailers. Commercialised farming and the large store are steadily depleting their numbers.

² From the *Nation*, Vol. 142, No. 3681, a useful article by Oliver Carlson on the San Francisco Waterfront. “Ex-footballers” mean those who have played games in colleges and secondary schools.

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the hopes of both have been shattered equally by the Slump; each looks to organised relief and planning from Washington; the attempt to obtain security by self-organisation in trade unions or a labour party might be expected to appeal to one about as much as to the other.

On the other hand, while the wage-earners can fall back on a stable form of organisation and programme kept alive by the A.F. of L., the great body of the white-collar workers have no such inheritance. They are far more open to be swayed by appeals from above or distracted by red-herrings. The element of genuinely independent proprietors, in particular, seem easily turned against working-class organisation, for two reasons. In the first place, their existence in the world of modern American industry is so problematic that they feel alarmed by the smallest change, and in consequence remain sensitive to the old cries of Anarchy or Communism which have been used to confuse the rugged individualist from the days of the Haymarket Riot. His status apparently threatened as much by the lower grindstone of the trade unions as by the upper grindstone of the National Association of Manufacturers, he can generally be relied on to support the conservative side out of fright or at the suggestion of his banker, to whom he is usually under obligation. Again, the older professions, particularly those of law and medicine, are closely organised into professional associations, and follow the extremely conservative lead of their principals, who mix on an equal footing with bankers, company directors, and managers of national corporations. Now, these latter groups show definite signs of drawing apart into an "upper class." They send their children to exclusive Eastern schools and colleges; they gather into one or two residential areas in cities, form a social circle which is difficult to enter, and intermarry; they compose an inner circle of business control, highly concentrated through family relationship and the ramifications of legal control exercised by large companies over subsidiaries or over debtors. That the traditionally successful lawyer is part and parcel of business, has already been mentioned. As this is being written, the American Medical Association is under threat of prosecution by the Government for imitating the great business combines and breaking the anti-trust laws. The Association

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seems little different in spirit and tactics from the manufacturers. By using these avenues of approach, conservative leaders have been able to do something to influence the middle classes against a whole-hearted support of organised labour. Within the ranks of the wage-earners themselves, however, similar tactics have been far less successful. Last century there was a discernible cleavage between the aristocracy of skilled labour, capable of maintaining some union organisation and feeling itself already half-way to petty capitalism, and the semi-skilled, to say nothing of the margin of unskilled workers, such as Negroes or Poor Whites recently from depressed areas in the South or still within them. But with the gradual application of automatic machinery in industry, the distinction has become blurred; a new, valid distinction has grown up within the ranks of labour—that between the employed and the unemployed. Between the census years of 1920 and 1930, the decline in skilled work appears from the decline in apprentices within the building trades—from 52,000 to 10,000—and throughout other industrial and mechanical employments—from 32,000 to 9,000. During that decade skilled labour offered only about two-thirds as many new jobs to men as semi-skilled: at the same time, the most degraded stratum of common labour shrank. Patently, every type of worker, to some extent on the farms as well as in the cities, was being merged into a single figure. Again, the enormous power that could be wielded by unitary control over a large, centralised industry was being borne home to labour ever since the spectacular formation of the U.S. Steel Corporation at the beginning of the century. By the tactics of moving work to non-union shops, closing up unionised branches during depressions, refusing to extend collective contracts with unions, and encouraging business customers to use non-union labour for contracts made with the Corporation, it had succeeded by 1906 not only in stamping out unions in the manufacture of iron and steel within its own doors, but also in defeating the Structural Iron Workers and the unions among the sailors on the Great Lakes where its own ships plied. An identical campaign spread throughout large-scale industry, with the result that by 1929 the American trade unions had to draw 85% of their strength from workers outside the sphere of manufacturing industry where a mere 11% of all those employed

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still remained organised.* The lesson was not lost on the rank-and-file membership of unions; only by ending quarrels among their own organisations and putting their numbers under a strong unified direction, could they hope to resist the great corporations. Universal mechanisation and the Open-Shop campaign of employers, therefore, generate strong forces counteracting the latter's attempts to divide and conquer.

It would be mistaken to conclude that any conscious feelings of class antagonism are widespread yet in the U.S.A. But there is an undoubtedly growing sense of distance between different income-groups. The old optimism and the faith that a man could rise freely up the economic ladder have departed; they are replaced by anxious feelings of insecurity, and by a will, unprecedented in the U.S.A., to resort to various forms of collective action. Inadequate relief from unemployment drove many groups of working- and middle-class people to form co-operative self-help societies, especially in California, in order to provide themselves with necessary services and often with currency. The Federal Emergency Relief Act made it possible to foster these with subsidies from Washington. The same need drove authorities in the State of Ohio to take over the operation of idle factories. The more normal consumers' co-operative movement, always weak in the U.S.A., has expanded its membership by about 50% since 1929, and waxed strong at a particularly rapid rate among farmers' purchasing societies in certain parts of the country. Private agencies and departments in the governments of Eastern States have sprung up in response to the organised demand by middle-class consumers for information about the quality of goods. The traditional apathy of the American university student towards politics began to evaporate in 1932 with the formation of the Socialistically inclined Student League for Industrial Democracy and the National Student League, which combined to form the American Student Union at the end of 1935. These bodies have

* It is difficult to know how much reliance to put on the membership quoted by unions. Do they include those who join during strikes but soon leave, or those who sign membership cards, or those who pay dues only? It is probable that as reliable an estimate as any is to be had from Leo Wolman's "Ebb and Flow in Trade Unions," published by the National Bureau of Economic Research in 1936. The above figures are based on pp. 90 and 123 of the book.

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become centres of organisation among all sorts of progressively minded students, while the National Student Federation* takes a more conservative line. Unions established for some years among white-collar workers, but hampered from lack of general interest, have been revitalised. The Screen Actors' Guild, for example, was a wholly ineffective body until 1933 when the film producers cut wages throughout the studios by 50%, and everyone suffered except the mechanics who had union contracts. Institutions like the Public Affairs Committee were founded to publish information drawn from the leading research bodies of the country, and satisfy the newly conceived thirst of bewildered middle-class people for ideas for collective action.

In 1932 President Hoover's term of office drew to a close, and it was a foregone conclusion that every section of society would vote against the Republican Party, which was associated with the country's economic prostration. In the election of that year, therefore, the Democratic Party headed by Franklin Delano Roosevelt not only carried the solid South, which traditionally votes against the Republicans as representatives of the North, but every other state in the Union as well, with the exception of Maine, New Hampshire, and Vermont, dominated by farmers who normally vote Republican, and Pennsylvania, Connecticut, and Delaware, where Republican farmers combine with manufacturers to persuade the voters to uphold the party of Northern business. During the next four years President Roosevelt launched a programme which succeeded in reviving business activity under the slogan "Co-operation between Business, Labour, and Government." So low, however, had the prestige of business leadership fallen that the pressure of organised labour was able to persuade the Democratic Party to pass certain measures in their favour. Moreover, as his term of office wore on, the President had, perhaps reluctantly, to recognise that on resuscitation business was willing to co-operate with his programme less and less, while organised labour continued to support him both because of his pro-labour

* This body does not seek popular membership, but consists of members of student councils throughout the country—a medium for "collective bargaining" between students and administrations, according to the President of Vassar. Students are sometimes formed into temporary gangs of vigilantes, mainly in universities controlled by State grants, in order to terrorise "radical" colleagues. Such outbreaks, under the instigation of outside reactionaries, are increasingly rare.

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measures, and also because he seemed their only bulwark against the business leadership, which, as it regained confidence, showed every evidence of renewing its customary tactics against the unions. Consequently, by 1936 the curious spectacle was presented of the Democratic Party, traditionally the representative of Southern plantation and sweatshop owners, carried by the national tide of enthusiasm for Roosevelt's liberal policy into the apparent position of champion of reform and organised labour, and foe to those business interests which aimed to restore the economic *status quo ante*.

The presidential election of 1936, therefore, is probably the most striking piece of evidence available of the growing class division and class consciousness in the U.S.A. By that date, business recovery seemed so far on the road to the prosperity of 1929 that it was plausible to argue in favour of releasing economic life from the restrictions set up by the New Deal and leaving it to forge ahead under its own steam. The shadow of the crisis, therefore, which influenced the vote in 1932, was removed. Yet Roosevelt carried every State except Maine and Vermont; his victory was even more overwhelming than in 1932. The closer the results and the course of the election are examined, the clearer it becomes that the "upper class" and its satellites among the professions and the older, established merchants and manufacturers supported the Republicans; while the semi-skilled and unskilled wage-earners voted solidly, the aristocracy of labour and the group above them consisting of clerks, civil servants, smaller independent entrepreneurs, and lower branches of the professions voted, by a small majority,* in favour of the New Deal and its pro-labour programme of social security. That so large a proportion of the middle-class vote should have been thrown in with that of organised labour is highly significant.

• There are few parallels in American history to the bitterness of the hatred and violence of the vituperation displayed by the spokesmen of business during the election campaign against the President. The most shocking heights of hysteria seemed to have been reached when several normally responsible newspaper-owners who knew perfectly well from the very first that the Republican

* This estimate is generally accepted. See "Middletown in Transition," by R. S. and H. M. Lynd.

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candidate, Governor Landon of Kansas, had no shadow of a chance of success, nevertheless convinced themselves by the end of the summer that he would be elected. The extent to which the Republican campaign was based on an unrealistic show of emotion became clear when, on the day after the poll was counted, a bad dream seemed to have passed away and men woke up to a conciliatory acceptance of the Democratic victory and a rise on the Stock Exchange. Nevertheless, more than 90% of the newspapers of the nation had obeyed their owners and the business interests on which they depend for their advertising revenue, and done everything to defame Roosevelt for month after month. In industrial states like Pennsylvania and Connecticut, which the Republicans hoped to retain, efforts to intimidate and cajole work-people to vote against Roosevelt went to such lengths that many of the upper ranks of labour who might have voted in their traditional way were driven from sheer irritation to vote Democratic.¹ Throughout the country, employers' associations circularised their members suggesting how to "persuade" their men to vote, and sent letters misrepresenting the social security legislation of the New Deal which were distributed to employees in their pay-envelopes.² Vote frauds were numerous, and the largest campaign funds ever known in the U.S.A. were employed.

But all the potency of this exceptionally dirty campaign was powerless to erase the anti-labour record of Governor Landon and of the men who dominated the Republican Convention which chose him as their candidate in June. Here, for the first time, middle-western business tended to predominate over the East, and the rawest and most ruthless type of employer succeeded in having nominated the Kansan who operated non-union oil wells and who had turned out the troops against the strikers.³ The

¹ See the account in "Middletown in Transition," *op. cit.*, of how a glass factory forced its men to wear Landon buttons, which they tore off outside, thus driving many of them even into the arms of Socialism and Communism.

² See the speech of Postmaster Farley reported in the *New York Times* of November 10, 1935, and the request sent to the Department of Justice to prosecute the Pennsylvania Manufacturers Association by Governor Earle, October, 1936. The *Labor World* of Chattanooga, Tennessee, published facsimiles of letters from employers' associations, in the issue of October 30, 1936.

³ Ernest Weir, the steel manufacturer of Weirton, one of the most depressing company towns in the country, and Joseph Pew, an oil producer who personifies the crude anti-labour policy traditional in Pennsylvania, were two of the most prominent backers of Landon.

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Convention furthermore turned down most of the plans advocated by labour representatives. Its endorsement of "The American Way"—that is, putting the clock back to frontier conditions—was complete.

Roosevelt's supporters could quote a long list of mildly pro-labour measures he had had passed during his governorship of New York State, and of legislation condemned by the unions which he had vetoed. The programme of the New Deal was in 1936 still mainly a promise rather than a performance, but Roosevelt reiterated his intention of clinging to the same ideals. "For all these we have only just begun to fight," he maintained in his final campaign declaration.¹ At the A.F. of L. annual Convention in 1935, no less than thirteen resolutions were put down urging the establishment of a labour party.² It is not practical politics, however, to build up a third party in the U.S.A. in a single year, however ready the rank-and-file might now be for it. A compromise was therefore effected in the formation of Labor's Non-Partisan League, which was to endorse Roosevelt and his New Deal aspirations for the presidency, and build up an electioneering machine district by district in order to marshal the voters behind any progressive and pro-labour candidate who might show himself, under the sponsorship of whatever party or label, and stand for State or Federal office. In a sense, then, this plan was merely an extension of the traditional policy of the A.F. of L.—"support your friends and punish your enemies"—and suffered from the same weaknesses. But on the other hand it took a definite step further in setting up a more or less permanent electioneering machine which could easily be converted to the use of a national labour party should events prove favourable in the future. At the same time, the League, as the manifestation of a new and determined attitude of organised labour towards politics, might serve to impress the candidates it endorsed and sustain their loyalty to their election pledges once they were elected.³ The League

¹ Speech of October 29.

² From such organisations of the semi-skilled as the United Textile Workers and the Ladies Garment Workers, and from State Federations of Labor in Utah, Wisconsin, and Oregon. The Executive of the Federation declared that to form a labour party at this time would be to obey the dictates of Moscow.

³ There have been some bad cases, like that of Governor Davey of Ohio, elected on labour pledges, who lent the troops to the steel companies during the 1937 strike. He was not re-nominated in 1938, but meanwhile the strike had been lost.

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made it perfectly clear that it was endorsing Roosevelt and the New Deal, and not the Democratic Party as such. Its "1936 purpose" was therefore to be regarded as a makeshift, nothing permanent. Powerful unions like that of the coal-miners¹ also stated explicitly that they would vote for the President, and would not thereby be endorsing prominent Democrats who represented plantation and sweat-shop interests, like Vice-President Garner of Texas, and Senator Robinson of Arkansas, leader of the Upper House. Many who were present at the Convention of the Democratic Party in July made the comment that Roosevelt's chief ally there seemed to be John Lewis, leader of the progressive forces of unionism. It was the solid working-class vote which Lewis could promise him that did most to secure his re-nomination for the Presidency. In the election Roosevelt polled nearly 28 million votes, and about four-fifths of this total were reliably estimated to have been cast by wage-earners.² This, in the face of the unparalleled campaign of opposition by the Republicans, must be considered far more than a tribute to the organising efficiency of the newly formed League; it testifies to the growing class-consciousness throughout the country. The remainder of Roosevelt's votes must be accredited largely to small, independent farmers. For in many of the predominantly rural states his plurality over Landon in 1936 was larger than that over Hoover in 1932, and he gathered his heaviest harvest of all in farming counties where the co-operative movement is strong. His acceptance of the farmer's plight as a permanent national responsibility had been appreciated.

No more striking evidence can be found that the national vote was dividing on class rather than historical lines than among the Negroes. This section of the electorate, being so indigent, is most open to being bought by the party with the highest funds—inevitably the party of the wealthy business interests. Few Negroes in the South can qualify to join the electorate; those that do aspire to the polls are normally voted, often without qualifying, through the agency of Federal officials appointed by the Republican Party when in power, and to whom the Negroes owe their jobs.³ The

¹ See the *Proceedings* of the United Mine Workers in March, 1936, annual convention.

² See a good article by L. A. Huston in *New York Times* of November 8, 1936.

³ *E.g.* as postmen.

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Democratic Party, as the preserve of the dominant white interest in the South, has been bound to alienate the Negro, and in any case has felt no desire to embrace him. The bulk of the Negro vote—that of the Northern manufacturing centres—remembers that the Democratic Party belongs to the Southern planters, and votes Republican. During 1934 in Louisville, Kentucky, however, where almost without a break since the Civil War Republican mayors and legislators had been elected by the Negro vote, there appeared a Democratic mayor and legislators. Later, in Memphis (Tennessee), Chicago, and North Carolina, Democratic Negroes began to replace Republican Negroes elected to office. By 1936 there were some 100,000 Negroes in trade unions. It is estimated that during the presidential election between two-thirds and four-fifths of the black vote was cast for Roosevelt.

Finally, the fact that in many constituencies the same citizens who supported Roosevelt for President voted for pro-labour candidates standing for other offices but not in the Democratic Party, and the fact that such progressives were returned in altogether unusual numbers, go to prove that many were for the first time ignoring party labels, ignoring what their newspapers told them,¹ and voting for a national economic and social policy.² In the State of Washington, for instance, the Commonwealth Federation was formed by Left-wing and trade-union groups during the Slump, and it sent Senator Schwollenbach to Congress as an independent in 1934 on the platform "End Poverty in Washington." In 1936 it captured the State Democratic Convention, which thereupon adopted the startlingly Socialistic programme of nationalising the public utilities, banks, and munition factories. For the Presidency it supported Roosevelt. In New York a State Labor Party was formed, with the alliance of Mayor La Guardia, a member of the Republican Party, against whom during elections in the City Roosevelt has supported the Democratic Tammany Hall. This Labor Party succeeded in capturing a number of up-State rural counties, thus securing the election

¹ The virtual unanimity of the Press as a vehicle of denunciation and vilification of Roosevelt—a Press always recognised by Americans to be mainly a mouthpiece for business views—did much to solidify the pro-New Deal vote. The election was a phenomenal vote of no-confidence in the Press as a whole and its lack of impartiality.

² There has been no national programme on which the country has divided since the Civil War.

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to the State Governorship of the Democratic Lehman. Massachusetts refused to elect to the Senate ex-Governor Curley, who, though a Democrat, had displayed reactionary leanings. At the end, a number of representatives of third parties found themselves in Congress—eight of the Progressive, seven of the Farmer-Labor Party—all from districts which had supported Roosevelt. Labor's Non-Partisan League reckoned that it could count fifty members of the Federal legislature as "progressives" sympathetic to its aims.

SECTION II. ROOSEVELT'S FIRST ADMINISTRATION

The new sympathy with collective action generated in the nation since 1929 provided the basis for a revitalised union movement, which in its turn may be made the foundation for a political labour movement. But how much could be built upon it depended on less intangible factors—namely, the circumventing of the traditional obstacles to union organisation buttressed by the courts, the laws, the administrations, and the opposition of employers throughout the country. The support which Roosevelt could command in 1936 from the lower ranks of American society, proves that through him they expected these obstacles could be most easily overcome. It was hoped that he would maintain the right atmosphere for the new-found sentiment of solidarity to come to fruit. Yet neither the Labor's Non-Partisan League nor any other labour organisation exacted any specific promise from the President in return for delivering him the working-class vote during the election. Their hopes for the future were founded on the record of his first administration during the years 1932-36.

When Roosevelt entered the White House, so low had the authority of his potential opponents fallen that he could have passed almost any measures he chose. Unfortunately, however, he neither had, nor seemed able to accept from the advisers summoned to his aid, any consistent programme beyond the vague social aspiration of bringing business and labour and government into co-operation. When he spoke of the need for "a new economic order rising out of the disintegration of the old,"* he did

* Message to Congress in January, 1935.

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not mean he had found one, or that he accepted any of the recognised European panaceas. It seemed merely that he would regard a certain amount of experimentation among his subordinates with a benevolent eye, and refuse to be hidebound by precedent. Consequently, a number of his projects which began with promise were allowed to come to little, especially when opposition raised its head on the resuscitation of business. Roosevelt could have nationalised the banking system in 1933; he could have put an end once for all to the perennial weaknesses of the U.S.A. credit structure, and in addition much facilitated the finance of his measures dealing, e.g. with housing and agriculture, and possibly have carried to success his programme of controlling price-fixing by combinations of employers and eradicating the abuses of the stock exchanges. Instead, the banking system was only patched up, great budget deficits have been incurred, the Securities Exchange Commission created to reform the stock markets has lacked resolution and effectiveness, and should the Government pursue its declared aim of breaking down the control of prices, it is likely to be defeated by the traditional tactics of business working through the courts. The New Deal policies can be criticised for failing to make a great use of a great opportunity. Almost nothing has been done to remedy the growing disharmonies within the country's financial structure by redistributing income;¹ indeed, during the majority of Roosevelt's first term workers not organised into trade unions found their real income steadily declining,² and when the volume of production and dividends in industry were fast approaching their 1929 peak, there still remained in idleness some 7 million unabsorbed workers.

On the other hand, the inauguration of the New Deal caused a rapid upturn in business fortunes, and dragged the country out of the depths of its despair. Demand was first resuscitated in the consumers' goods industries and agriculture, spread to the producers of durable consumers' goods, and finally called into activity the makers of capital goods. Every indication points to the conclusion

¹ *Vide supra*, pp. 78 and 79.

² Unemployed men who came on to Federal relief benefited from higher scales and greater security, especially casual workers like Negroes, who were now better off than they had ever been. Farm workers also benefited somewhat. For a detailed study of Roosevelt's first administration, see "An American Experiment," by Hugh-Jones and Radice (Oxford University Press).

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that had Hoover's policy of letting the depression work itself out been persisted in, the general misery would have been very little relieved for some years. Great sums were spent by the Government in a variety of ways for relieving the unemployed; loans were made out of public money to distressed farmers and businesses, while subsidies were granted where land was retired from use under the auspices of the Agriculture Adjustment Administration (A.A.A.) for the purpose of reducing output and raising prices. The Federal Housing Administration was set up to encourage the flow of private credit into the repair and construction of buildings by ensuring it against loss.

The broad theory that only by sustaining the purchasing power of the masses and keeping its rise in line with the rise of other forms of income can economic society be stabilised and fluctuations in business prosperity be evened out, has always been implicit in the policies of labour movements. This same theory seems to be one of the few principles which form a recurrent theme underlying all Roosevelt's legislation. There can be no doubt that this unanimity between the President and articulate labour has encouraged the man in the street to overlook the failures of the New Deal policies and lend an enthusiastic support to Roosevelt. As much of the programme has worked out, it is difficult to detect any substantial benefit for the masses. The housing policy, for instance, did nothing appreciable to add to the volume of building construction by 1937. A measure of prosperity, precarious because it restricts production at home rather than encourages exports or develops the home market, has been introduced into agriculture. The county committees set up as local administrative units under Washington have in places subjected many to injustices, both in selecting the lands to be retired from cultivation and in distributing relief. Moreover, the policy of restricting production has diverted attention from the need to save the nation's soil from destructive erosion and bad cultivation. Nothing has been done to check or remedy the turning of men off the land with nowhere to go and the substitution of machinery. Nevertheless, compared with the experience of Hoover's Federal Farm Board, the A.A.A. has been a roaring success. There can be no dispute that the majority of farm people, rugged individualists as many of them were, are

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far happier and securer under the planned regime of Secretary Wallace than during the post-War years of gradual deterioration. The country seems committed to a central control over its fields, despite the attempt of the Supreme Court in January, 1936, to restore the old order of things.¹

Some measures long sought by the A.F. of L. were passed by Congress. One Act, "designed to aid the States in enforcing statutes regulating or prohibiting the sale in the open market of prison-made goods,"² provided for the marking of all such goods entering inter-State commerce, and forbade transporting them into States whose laws prohibited their public sale. Again, it was enacted that no judge, debtor, or trustee should influence employees of enterprises or property he administered under legal guidance, against joining a bona-fide trade union; funds should not be administered in such a way as to discourage such unions or maintain bogus ones.³ What pleased the A.F. of L. most of all was an extension of the policy it had urged on Congress when the Davis-Bacon Act was passed in 1931. This measure had enacted that all workers employed in building by the Federal Government should receive wages current in the building trades. But, as usual, the Act was so drawn as to be incapable of administration in the way the A.F. of L. desired. No specific penalties were mentioned for disobedient employers, nor was the abuse outlawed by which employees are forced to pay back secretly part of the wage they have been paid openly. In August, 1935, the weaknesses of the law were remedied, and a new and effective procedure begun by the Secretary of Labor for determining what wages shall be paid in each contract. In the following June the Walsh-Healey Act was passed, extending similar regulation to the labour used by manufacturers in producing materials or equipment contracted for by the Government in any amount exceeding 10,000 dollars. Accordingly, the Secretary of Labor had during the next year to determine what wage rates should be paid in 4,575 contracts extending to a large number of industries. These rates were fixed after public hearings in which the representatives of organised labour could participate,

1 Invalidation of the A.A.A. Act. Another Act on similar principles was immediately rushed through.

2 Public Act No. 215. See *Monthly Labor Review*, *op. cit.*, September, 1935.

3 Public Act No. 296. See *Monthly Labor Review*, *op. cit.*, August, 1934.

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and plainly held within them the possibility of a wide influence over the fortunes of work-people in many trades. When the C.I.O. failed in the steel strike of the spring of 1937 to extend union contracts from the U.S. Steel Corporation to seven large independent firms, the latter threatened to undermine union wage standards in the industry. Next, however, the independents were forced to accept the union rate of 62½ cents an hour in Government contracts and thus to all intents and purposes fall into line with U.S. Steel.¹ Again, the Tennessee Coal and Iron Co., which had made a policy of paying its Alabaman miners in scrip valid only at the exorbitant company store, had to undertake as a condition of securing governmental contracts that it would pay the specified rates in cash.² Each of these awards from the Department of Labor represented a substantial gain for both unions and work-people. In the main, however, the record of a year's administration seems to show that the Secretary has been in no hurry to disturb the *status quo*, except perhaps in one or two sweated industries like the manufacture of clothing.³

Of more importance for the masses as a whole, and composing the central, enduring feature of the New Deal, was Roosevelt's social security legislation. As late as 1931, the A.F. of L., in its annual convention at Vancouver, refused to endorse a programme of State unemployment or health insurance; but the pressure of distress during the next year converted the great majority of the Federation, leaving only a few ultra-conservatives like John Frey of the metal trades, Matthew Woll, Gompers's chief lieutenant, and Victor Olander of Chicago isolated in silent disapproval. Consequently, when the Federal Social Security Act was passed in August, 1935, the main concern of organised labour was whether it would be invalidated by the Supreme Court. The annual convention of the Federation in 1935 even instructed the executive council to draw up an amendment for the Federal Constitution giving wider powers to Congress to legislate for schemes of labour and social welfare.

¹ The companies fought this award in the courts, but in vain.

² See *United Mine Workers Journal*, February 1, 1939, p. 18.

³ No attempt seems, for example, to have been made to bring up Southern wages to the level of Northern ones for the same work. See *Labor Information Bulletin*, of the Department of Labor, October, 1937.

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Not only the unions, but the makers of the Act itself were very obviously afraid of the courts, and exercised by the inevitable difficulties of bringing any centralised measure for social welfare within the Procrustean framework of the Constitution.¹ The main deficiencies of the Act and the labours of financing and administering it spring from this source. Since the Federal authorities might not invade the preserves of the sovereign States, how were these forty-eight independent units to be coaxed into co-operating with Washington in insurance schemes which must inevitably be administered from the centre, and how were the administrators in a hundred diverse localities to be kept up to uniform minima laid down from the outside? The solution found was to contribute a percentage Federal grant-in-aid to States which had approved schemes for old-age pensions, support of the indigent blind and needy children, and certain medical and welfare services for mothers and children; an unemployment insurance system was to be evoked by levying a Federal tax on all wages, most of which would be remitted where employers contributed to a State insurance scheme. The cumbersome administration of such a law and its slow working have been justly criticised. During the business recession of 1937-8, for example, the benefits payable for a maximum of sixteen weeks to the unemployed were often so slow in arriving that millions had to register for relief to tide them over the period of delay, and later discovered that relief rates were higher than insurance. However, it is not easy to launch a faultless scheme for some 40 million employees in a couple of years, especially in a federal country.² A more serious criticism, perhaps, is that the law gives only to him that hath. The poorer and more backward States, whose governments had not in the past inaugurated pensions and maintenance schemes, were deprived of Federal funds: while all States were not induced to pass unemployment insurance laws with equal speed.

However, by June, 1938, twenty-eight States took part in the insurance plan, all but one in old-age assistance. The miserable county poor-farms for the aged are reported to be already disappear-

¹ The Supreme Court did in fact validate the law, but only after Roosevelt's campaign for its reform had chastened the "Nine Old Men."

² The Act contained other provisions for helping States with all sorts of health services, and rehabilitating the physically disabled.

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ing, and studies are being pursued in Washington with intent to relieve them of another 5 million dependants. In June also about another 2.9 million souls were being aided among the blind and the needy children. Who could have predicted five years ago that nearly 10,000 public officials would be administering a far-flung scheme incorporating permanent collective action in American life on an unprecedented scale?

Between 1932 and 1937 unemployment among gainfully occupied workers in the U.S.A. was reduced from 23% to 10%.¹ But even this shrinkage left ample need for the continuance of Federal relief.² This has taken a number of forms—cash or commodity grants, public works, training-camps, or grants-in-aid to promote the creation of jobs by State authorities. With the promised persistence of technological unemployment in the U.S.A., the departments in Washington which administer relief appear to be hardly less permanent than the Social Security Board; but they depend on annual grants from Congress liable to severe fluctuation and in general their status is unsatisfactorily insecure. However, their existence and policy must be of the very greatest importance to organised labour, for they largely hold it in their power to determine how far unionised trades shall be diluted and the wages fixed in union contracts undercut. It is difficult to find any consistent policy on the part of the authorities, who have wavered between a mere relief of bare, physical needs and the attempt to find for workers jobs fitting their normal occupations and at rates of remuneration very little lower than the normal. In so far as funds were sufficient, Washington seems to have preferred the latter course, and has frequently resisted attempts to force work-people on relief to accept jobs in sweat-shops at less than "reasonable" rates. To this extent the Government has done what it could to maintain the living standards of the occupied population, although the A.F. of L. does not appear to have interested itself in encouraging or supporting the Government on this score.³ This

¹ Figures issued by the I.L.O. in 1938. The corresponding figures for the unemployed of Great Britain were 22% and 10%.

² For the difficulties of establishing unemployment relief in the U.S.A., see pp. 51-4.

³ According to the *C.I.O. News* of August 27, 1938, it has even supported the efforts of employers in New Jersey to defeat State appropriations without which Washington will give no grant-in-aid.

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however, is not true, especially latterly, of the organisations among the less skilled, who are naturally more concerned with dilution by idle men seeking work at any pay. The Committee for Industrial Organisation (C.I.O.), which represents the bulk of these organisations, has, for example, been consulted by the authorities before fixing relief rates for workers in the sugar-beet fields: it made the suggestion, adopted by the Works Progress Administration (W.P.A.) that millions of dollars' worth of winter clothing should be purchased from the depressed clothing trades and distributed in direct relief; it "viewed with concern the recent salary reductions affecting clerical, technical, and professional workers employed on W.P.A. projects" in July, 1938.

With all its shortcomings, the New Deal programme of succour for the less fortunate members of society has been generally acclaimed—even those conservative interests whose normal object is to minimise taxation were glad, during the setback to business in 1937, that the purchasing power of the masses should be made up by Federal subsidy. It has also been shown what cause the A.F. of L., representing organised labour, had to be grateful to Roosevelt. However, it is not perhaps so much from services rendered by the New Deal to the needy, or to organised labour, as such, that Roosevelt's attitude and value to the working population have been judged. Just because a conflict of interest is beginning to be felt between certain sections in America, the crucial test of the New Deal is felt to be its effect on the further growth of a labour movement. Here the testing-ground was the National Recovery Administration (N.R.A.) and its aftermath.

This piece of machinery was the first of Roosevelt's creations on coming into office, and was planned to launch business into a quick recovery. More than any other measure it turned upon the President's belief that employers, employees, and Government could be brought into fruitful co-operation. Virtually the plan was to raise prices without an inflation, by the simple process of suspending the anti-trust laws and urging operators in each industry to come together, reduce hours, and raise wages all round, and make an end of cut-throat competition. The agreement in each industry was incorporated in a published Code which contained the trade practices and working conditions to be observed by each

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employer, and had to be approved by the Government. Now, these Codes were framed after public hearings in which a Labor Advisory Board and a Consumers' Advisory Board participated as representatives of those interests. The whole process had a democratic air, and the resulting Codes and their application seemed evidence of the co-operation hoped for by the President.

But the reality was far otherwise. The labour and consumers' Boards were not directly representative, but chosen in Washington. In themselves they had no compulsory power, and had no influence except when they acted as mouthpieces for strongly organised unions whom the employers could not ignore. In the great majority of Codes, therefore, groups of employers who had the advantage of initiating proceedings, who alone of all the negotiators were conscious of what they wanted in advance, and who came determined to make the greatest possible profit for their group out of the suspension of the anti-trust laws, merely bargained with the Government, which aimed to raise the level of employment by reducing hours and maintaining wages. The Code Authorities who had the first responsibility for seeing that the provisions of the Code were observed, were almost always employers. It soon became plain that the patriotic atmosphere of crisis which it was hoped would serve as a solvent to individual self-seeking, had in no sense impelled the employers to co-operate. Consequently, as the Government hesitated to offend them by invoking compulsion, and in any case feared that if any employer were driven to the courts the whole plan might be invalidated, the pressure of business interests behind the scenes in the main secured for them what they wanted.¹

For its part the Government had the satisfaction during the eighteen months in which the N.R.A. was active, of seeing employment in industries covered by Codes rise by some 2,055,000. A basic rate of 35 to 40 hours' work a week was spread through the majority of industry, and has in the main held its own ever since. The employment of children under 14 was stopped, of those between 14 and 15 limited to three hours a day.² Industrial home work was practically eliminated, minimum wages were set at 30-40 cents

¹ The Supreme Court invalidated the N.R.A. in 1935.

² In about 500 Codes approved up to August, 1934, child labour under sixteen was abolished outright.

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an hour. All forms of safety and health standards in industry tended to be forced upwards, and a detailed study of working conditions such as had never before been made in the U.S.A., was carried out and broadcast, with a powerful effect on public opinion. A sick industry like that of coal-mining, being slowly ruined by chaotic price-cutting, owed its salvation to the N.R.A., and the possibility of a permanent price and production control from the centre. Many other industries, if to a lesser degree, learned from the same respite, and, as *e.g.* in the manufacture of medium and low-priced jewelry, have voluntarily and without compulsion from trade unions undertaken, since the collapse of the Codes, to maintain within themselves minimum conditions particularly for child labour and against home work.

The valuable potentialities which lay in regulating production by the system of Codes were revealed only where a strong union existed to take a hand. Perhaps the best example is to be found in the manufacture of women's clothing, where for a quarter of a century the powerful and progressive International Ladies' Garment Workers' Union (I.L.G.W.U.) had battled against the multiplication of small employers and jobbers, the creation of sweat-shops and home work under horrible conditions, and the movement of production over-night away from areas into which the Union had brought some sort of order. The industry had, in fact, to face the same chaotic competitive situation—and among recently immigrated workers—as in coal-mining. The Union met* with the four associations of employers concerned, and secured the negotiation of a Code in 1933 which generalised throughout the industry the provisions of the collective contracts signed by the New York manufacturers in 1932. Only one of the employing associations raised any opposition, mainly because it was afraid that officials might find their way into the back-yards where its members try by obscurity to evade taxation. The Union was given two voting representatives on the board of administration, and they used their power, backed by a threat of protest from the Union ranks, to inspect the books of employers and make studies for eliminating unfair practices forbidden by the rules of the Code, and for bringing pressure against those who

* After a two-day strike in August, 1933, to show its seriousness.

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evaded obligations they had undertaken. The problem of fragmentation and migration in the industry beyond the control of the Union was met by the manufacturers agreeing to designate at the commencement of the season those contractors to whom they would give out work, and not to change their contractors without permission from the Code Authority. The country was divided into two wage areas, over which minimum rates were generalised. No employment of adolescents under 18 years in the manufacturing, under 16 in the non-manufacturing branches; a 35-hour week to be worked between the hours of 8.30 and 4.30 without overtime except by permission of the Authority; no work in homes or insanitary premises; these were some of the remaining provisions of the Code.

The advantages of this new form of industrial self-government are manifest. Employers were relieved from the anxiety of price-cutting and chaotic competition. Unlike so many others, the Code was enforceable, and dishonesty under it minimised, by the strength of union organisation behind it. On the other hand, the I.L.G.W.U. now obtained supplementary machinery for disciplining recalcitrant employers, bringing unorganised workers within the pale of conditions for whose maintenance it was itself mainly responsible, and buttressing those conditions themselves—no small auxiliary to the usual weapons open to a union in job control. Finally, the consumer was protected because it would be almost impossible for a union, while under the eye of a Code authority, to restrict the entrants to a trade or hold up wages in such a way as to exercise a detrimental and monopolistic control. But without the support of a union, work-people in chaotic and sometimes bloodthirsty industries, like the manufacture of clothing or the mining of coal, stand no chance of getting the fruits of their productivity. For full success it would seem that Codes need unions, and unions need Codes or their equivalent.

Such lessons from the brief life of the N.R.A. were not overlooked. The President kept together the skeleton of a research organisation under George Berry, head of Labor's Non-Partisan League, as Co-ordinator for Industrial Co-operation, which held meetings with heads of business, and in 1937 made a report to the President proposing further legislation for the regulation of in-

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dustry.¹ In industries where unionism was weak or just beginning to show its head under the respite of a Code, the demise of the N.R.A. was the signal for a stampede to the jungle. Hours were lengthened somewhat, wages cut, child and female labour increased, members of unions discharged, and in chaotic industries, like the manufacture of shoes, the migration of factories to low-wage areas was revived. But in strongly unionised trades, like the manufacture of clothing, the unions were able to prolong most of the advantages secured under their Codes. There have been no conflicts, but a marked improvement of relations between managements and the unions, and some success has attended the effort to substitute for the Code a general collective agreement enforced by the union. On the other hand, the prospect of a return to chaos in an industry like that of coal-mining, whose plight had been brought home to the public conscience for many years, was uncomfortable enough to force legislative action by Congress under pressure from the United Mine Workers—that is, the threat of a strike among 450,000 miners. An Act was passed in August, 1935, only to be declared unconstitutional by the Supreme Court because it ordered operators to bargain collectively with the union, then re-passed by Congress without that provision, setting up a little N.R.A. for the bituminous coal industry. A Code was to be formulated by a Bituminous Coal Commission, regulating prices and volume of output for each district. No Act of Congress which hoped to pass as constitutional could, of course, dare to set up any direct machinery of compulsion to force mine operators into accepting and abiding by the Code. An indirect method was therefore devised: an excise tax of 15% of the sale price of coal per ton at the mine was to be levied,² 90% of which would be remitted to producers who accepted the provisions of the Code. The balance left in the Commission's hands has been used to buy up and put out of use surplus mines, while the W.P.A. has set men to work sealing abandoned workings which were polluting the rivers of the North-East, and extinguishing fires that raged underground in old mines, thus doing something towards clearing up the wreckage of the industry and minimising its future depredations.

¹ See *New York Times* of November 11, 1936, and January 16, 1937. The legislation for the regulation of hours and wages arising from it in 1938 will be discussed later.

² Congress has theoretically full power to levy taxes under the Constitution.

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The industry now being practically nationalised, its affairs have remained more satisfactory, and may continue so, as long as the union is strong enough to enforce compliance on the employers.

So far, then, the experience of workers under the N.R.A. proves to have been mixed. On the vast majority of Code administrations organised labour had no representative with a vote, and the A.F. of L. protested increasingly, as more and more Codes were devised, that they had no genuine voice in their making. Indeed, it was perfectly plain to Roosevelt and his advisers from the outset that the strength of organisation among labour forces was in no way comparable to that among employers. Combination among the latter was to be directly encouraged by the N.R.A. Was labour to be put at a greater disadvantage than ever? The Government could do nothing to cause the birth of strong unions over-night, so that it was unavoidable that organised labour should play a minor part in the bulk of code-making and administration. But what the Government could do was to clear the way for a speedier organisation of unions in the immediate future. Yet, the old obstacles remained unshaken, rooted in bad laws, worse administration, and conservative judges mainly under the aegis of the sovereign States. How was the Federal Government to correct these? What it did was to revert to the notion of co-operation between business and labour, and secured a *quid pro quo* from the spokesmen of the employers that, in return for the suspension of the anti-trust laws, they would tolerate an increase of unionism and take disputes with unions to arbitration. This bargain was incorporated in the National Industrial Recovery Act, and how the employers carried out their part of it will be reviewed below. But as far as the intentions of Roosevelt went, it can hardly be doubted that he aimed at a substantial encouragement of unionisation and no mere verbal pact. It has already been said that his object of increasing the purchasing power and volume of employment throughout the country was the traditional object of trade unionism. This coincidence is brought out by the Act's declaration of policy "... to increase the consumption of industrial and agricultural products by increasing purchasing power. . . ."

In the celebrated Section 7a of the Act there is stated that side of the bargain which affected the organisation of labour :

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"(1) Employees shall have the right to organise and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labour, or of their agents, in the designation of such representatives or in self-organisation or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection ;

"(2) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing."

For the first time in American history a Federal statute stated the right of all labour to combine and the unlawfulness of interference with this right. To an Englishman accustomed for some 60 years to a labour code on the statute book, such a declaration seems a commonplace. To an American, this, which might prove the first substantial step away from the grip of the antique common law on activities of organised labour, was a Magna Carta. It was an unparalleled invitation to the A.F. of L. to turn itself into a powerful labour movement.

On the collapse of the N.R.A., Section 7a was rescued and inserted in a new Act, this time in a more clearly defined and authoritative form. The right of employees to self-organisation is restated, and the concept clarified by a list of "unfair labor practices for an employer." Among such practices * are found the domination or interference with any labour organisation, financial or other support to it, any form of discriminatory treatment of employees in order to discourage their membership of unions or their filing charges or giving evidence under the Act, and, most extreme of all, "to refuse to bargain collectively with the representatives of his employees." Unless employers undertake bona-fide collective bargaining with their men, they would henceforth break the law. The law was uncompromising and intended for administration against any odds. A board of three was created to report on unfair practices under the Act and enforce its provisions. It replaced a number of other similar boards which lapsed with the N.R.A. The line to be taken in persuading the courts that such a bold Act was constitutional was indicated in the

* National Labor Relations Act, Section 8. See Appendix on p. 107 for text of Act.

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"Findings and Policy" which prefaced it. In the same declaration Roosevelt's conviction that unemployment can only be conquered by the labour policy of maintaining purchasing power was reiterated. Unfair labour practices leading to stoppages have "the necessary effect of burdening or obstructing commerce by . . . causing diminution of employment and wages." Inequality of bargaining power between men and masters

"substantially burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry. . . . It is hereby declared to be the policy of the United States to . . . encourage(ing) the practice and procedure of collective bargaining and . . . the exercise by workers of full freedom of association."¹

The Act was to be defended as a necessary weapon of Congress in its constitutional right of regulating the flow of interstate commerce.

Although the N.R.A. officially refused to permit unions to draft and initiate labour provisions in Codes or to seat representatives with plenary powers among Code authorities,² nevertheless the fact that the Labor Advisory Board as official spokesman for organised workers did take part in the processes of the N.R.A. and the setting of industry once more on its feet went far to enhance the prestige of unionism among all types of worker, just as the calling of the A.F. of L. into collaboration with Wilson's Administration during the War had enhanced it. Factories and workshops throughout the nation became abnormally anxious to learn the policy about wages and conditions upheld by the labour leaders and pressed for in Washington. Working conditions became known in every branch of society as never before. Where, as in the clothing trades, a union had been able to force the employers to come to terms with it, and had embodied its terms in a code, the new regime proved a powerful stimulant to bringing unorganised sections of the

¹ National Labor Relations Act, Section I

² It is true, as mentioned on p. 100, that unions were able to get their views voiced during Code negotiations by the Labor Advisory Board. But this privilege was negligible compared with the advantage that might have accrued had they been able to initiate Code provisions through direct representatives.

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industry within the union's fold. Like Roosevelt's other measures, therefore, the N.R.A. viewed as a supreme test of the Government's good will towards working-class rights, caused mixed feelings. His theory of co-operation between employers, employees, and Government proved definitely unrealistic. The representatives of labour had to content themselves with the status of very junior partners. Yet the promise of the code administration, and later of the coal-mining law and the National Labor Relations Act, was enough to elicit an enthusiastic response from work-people such as no government had been able to command since the days of Woodrow Wilson.

APPENDIX

[PUBLIC—No. 198—74TH CONGRESS]

[S 1958]

AN ACT

To diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, to create a National Labor Relations Board, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND POLICY

SECTION 1. The denial by employers of the right of employees to organize and the refusal by employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife or unrest, which have the intent or the necessary effect of burdening or obstructing commerce by (a) impairing the efficiency, safety, or operation of the instrumentalities of commerce; (b) occurring in the current of commerce; (c) materially affecting, restraining, or controlling the flow of raw materials or manufactured or processed goods from or into the channels of commerce, or the prices of such materials or goods in commerce; or (d) causing diminution of employment and wages in such volume as substantially to impair or disrupt the market for goods flowing from or into the channels of commerce.

The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract,

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and employers who are organized in the corporate or other forms of ownership association substantially burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries.

Experience has proved that protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees.

It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

DEFINITIONS

SEC. 2. When used in this Act—

(1) The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

(2) The term "employer" includes any person acting in the interest of an employer, directly or indirectly, but shall not include the United States, or any State or political subdivision thereof, or any person subject to the Railway Labor Act, as amended from time to time, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

(3) The term "employee" shall include any employee, and shall not be limited to the employees of a particular employer, unless the Act explicitly states otherwise, and shall include any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice, and who has not obtained any other regular and substantially equivalent employment, but shall not include any

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more towards the right, until it began to oppose Rooseveltian policies in terms hardly distinguishable from the grossest reactionaries in the Republican Party. Such a course was thrust upon it by the logic of its irreconcilability with Lewis—it had to seek allies among his enemies. But his enemies were easily recognised as the enemies of the labour movement as a whole, whether within or without the Federation. The Federal elections held in the autumn of 1938, for a third of the Senate and the whole of the House of Representatives, became a testing time. In 1936 the Republican Party had only succeeded in winning the open support of one or two labour leaders, like Hutcheson. But in 1938, Green gave official sanction to a large number of Republican candidates, not because of their labour record, but because of their hostility towards the C.I.O. This radical departure from the traditional “non-partisan policy” of the A.F. of L. caused an almost universal outcry among the rank and file of its unions. That they should be commanded to cast a vote for men like Governor Davey of Ohio, who had broken all his election pledges to labour and shed the blood of many strikers, or like “Cotton Ed” Smith of Carolina, who typified the hostility of southern landowners to the liberties of the worker, was going too far. Even presidents of international unions like Tobin of the Teamsters countermanded the Executive’s orders, and joint demonstrations, parades, campaigning, and support of Labor’s Non-Partisan League by members of the A.F. of L., of the C.I.O., and of railway brotherhoods that belonged to neither, everywhere witnessed to the growing unpopularity of Green and his colleagues.¹ Particularly on the west coast, where the local leaders had succeeded in creating considerable bitterness between rival unions, universal co-operation was noticeable, mainly because men were united against a determined attempt by employers’ associations to exploit labour differences in order to cripple the labour movement as a whole.²

¹ Green ordered a boycott of Labor’s Non-Partisan League, as being a creature of Lewis—an accusation which was far from true. A boycott of the American Labor Party of New York State was also ordered, although an A F of L member headed it. During the election, however, it not only received C.I.O. support, but that of 150 leaders of A F of L locals, while many others were prevented from giving open endorsement by the pressure on them exerted from the Federation’s offices in Washington.

² The theme of unity forced because some labour body found itself up against exceptional odds can be found constantly in evidence not only in alliances between A F. of L.

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It was in the West that the destructive side of union rivalry had shown itself in ugliest relief. In April, 1937, the Executive of the A.F. of L. met and arranged its offensive against the C.I.O. This was to be prosecuted on all fronts by the simple means of setting up dual bodies in the C.I.O. spheres, for which purpose the dues paid by international unions to the Executive were to be doubled. For the most part this offensive came to very little by way of embarrassing the C.I.O. The unfortunate result, which might have been expected, of inconveniencing and exasperating the general public by another outburst of that old pest, jurisdictional disputes, seems also to have been avoided for the most part. But on the eastern and western seaboard there existed two A.F. of L. leaders of the most ruthless and dictatorial type who did take seriously the Executive's call to arms. Each of these men was deeply involved in the corruption of local politics, respectively, in New York and Seattle, and knew himself to be unable to live in the same atmosphere as a genuine rank-and-file movement. In the East, then, Ryan,* president of the long-shoremen, espoused the cause of the feeble and corrupt leadership of the International Seamen's Union, and refused to allow his men to work the ships that came into ports of the North Atlantic if the crews supported Joe Curran, champion of a rank-and-file group then trying to establish itself as the National Maritime Union. During the summer and autumn of 1937 Curran and his colleagues had to suffer the physical assaults of Ryan's plug-uglies, while the latter joined the chorus of shipowners accusing the new union of Communism and dangerous sabotage at sea, and held up a number of ships by picketing them in harbour. In the East, however, the quarrel produced more smoke than fire, and when a coastwise election held among the sailors by the N.L.R.B. went strongly in favour of Curran, hostilities subsided without having produced an unfavourable effect on public opinion. The

and C.I.O. unions in the political field, but also in the industrial. The arrival of strike-breakers, or the attempt to use force against some striking local, has frequently brought it aid from official rivals. See examples on pp. 237 and 238, also, the alliance of the C.I.O. Electrical Union with the Machinists in New Jersey must have been largely due to the virulently anti-labour policy of the State authorities.

* *Vide supra*, pp. 185 and 205, for Ryan's connections.

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National Maritime Union joined the C.I.O., and Ryan decided that no profit was to be made out of raiding the ranks of the seamen.

Matters became far more serious on the Pacific when Dave Beck, chief of the western teamsters and Seattle politician, came into conflict in May, 1937, with Harry Bridges, who had risen from the ranks to lead the Maritime Federation of the Pacific, a group of well-organised unions among longshoremen and ship-board workers.* Bridges began to extend the jurisdiction of his longshoremen to workers in the quayside warehouses, but William Green had handed over the warehousemen throughout the country to the teamsters. Until October, then, the teamsters and carpenters blockaded the warehouses where Bridges' men were employed, and by violent tactics endeavoured to keep them shut. The embattled teamsters also extended their campaign against the Newspaper Guild, which claimed the distributors of newspapers. Naturally the bitterly anti-union employers' associations of the Pacific made the most of the situation to turn public opinion against labour activity, and their case was strengthened by the brutality of Beck's "goon squads" and the success with which they contrived for a time to hamper activity in the ports. The effect on Beck's own forces was to cause swelling discontent, and in July not only the Maritime Federation voted to enter the C.I.O., but also the 80,000 members of the Woodworkers Federation, nominally members of the carpenters' union in the Northwest. Hutcheson, hardly the man to lose so many class B members without protest, then instituted a boycott of sawmills and other concerns which handled the products of the Woodworkers. His tactics resembled those of Beck, and had the same effect of alienating many of his men put to work at the hateful task of fighting their fellow-workers. Hutcheson called off his boycott in January, 1938, when the volume of protests received from carpenters' locals in the North-west showed him that revolt was imminent. The N.L.R.B., with its simple and satisfying procedure of holding elections among the groups over whom battles are fought, ended Beck's blockade of the waterfront in October,

* After the 1934 general strike in San Francisco led by Bridges' R.I.A. led to the Pacific longshoremen from his union.

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when its poll among warehousemen showed them strongly in favour of the C.I.O. longshoremen. A F. of L. leaders on the spot swore that they would ignore the findings of the Board and heed only the orders of Green. But these were only words, and the failure of the A.F. of L. offensive in the West, combined with the growing success of C.I.O. unions throughout the country, encouraged the natural unity of rank and file on both sides to express itself more and more as time went on. Meanwhile, in the Seattle municipal elections of March, 1938, C.I.O. and A.F. of L. votes combined to defeat Beck's nominees, and the teamsters' chief, now deprived of his allies among the police and business rackets, sank into insignificance. Nevertheless, the memories of the inter-union strife, kept alive by propaganda of the Chambers of Commerce and by their constantly provoking crises with the Maritime Federation and betraying Bridges into making declarations which were bound to wound middle-class susceptibilities, made it possible to put before the electors in October, 1938, a measure in each of the three Pacific coast States which, if passed, would have reduced a free unionism to much the same status as it enjoys in Mussolini's Italy. Unions of all complexions united to defeat these measures in California and Washington, but failed in Oregon. Meanwhile, the business interests of Los Angeles had succeeded, after an expensive advertising campaign, in having passed an anti-picketing ordinance whose effect has been to render the N L.R. Act a dead letter.

During 1938 the members of the C.I.O. were finally expelled from the Federation, and from State and city central bodies. Accordingly, the movement towards setting up dual centrals throughout the country was accelerated by them, and despite the business depression, organisation was conducted in a number of new fields, from furniture manufacture, the packing and canning of meat, vegetables, fruit and fish, retail and public utility employees, office and governmental personnel, to the staffs of banks and insurance companies. When October, 1938, came round, then, some 500 delegates representing forty-two organisations assembled in Pittsburgh in order to turn the C.I.O. into the Congress of Industrial Organisations, and claimed that, so far from suffering a depletion in their ranks during a year of terrible unemployment, their num-

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bers had now grown to 4,037,877.¹ At the same time, the A.F. of L., convening in Houston, Texas, claimed a membership that had increased to 3,627,087. If these figures are to be trusted, they offer remarkable testimony both to the value of industrial unionism in the American field and to the organic survival power of the A.F. of L., however unpopular its leaders' policies and however attractive its rivals'. To each gathering President Roosevelt sent a message calling for a final reunion between the two bodies, and Secretary of Labor Perkins had a plan for consummating it.² At Pittsburgh they professed themselves ready to come to terms, provided the principle of industrial unionism remained unassailed.

At Houston, on the other hand, counsels were divided. Events had been showing the unprofitableness of the Federation's official attitude towards the C.I.O. Not only had Green's orders been widely disobeyed during the recent elections, but efforts to hinder established C.I.O. unions by the creation of dual bodies—of coal-miners at Lynch, Kentucky, lumberjacks at Laona, Wisconsin, metal-miners in the Tri-State area,³ for example—had come to grief, while disgust and desertion had proved the main reaction of the men forced into boycotting and open fighting against C.I.O. unions in the West. On the east coast the C.I.O. shipbuilding and maritime unions were being impelled by Ryan's tactics into retaliation, and were undertaking to handle none but materials and products manufactured or transported by C.I.O. labour. The tax levied on its members by the Federation as a war treasury against Lewis's forces had provoked unions like the Paving-Cutters to migrate rather than pay it, and had drawn blank refusals from carpenters' locals in Oakland, California, longshoremen in the South, and the influential International Typographical Union. A.F. of L. locals, assisting the C.I.O. Newspaper Guild in a spectacular strike during the autumn against the organs of Wilkes-Barre, Pennsylvania, were protesting about the action of the Executive,

¹ Unlike the official figures of membership of the A.F. of L., those given by the C.I.O. include all who have signed pledge cards and take part in union activities, but who have not necessarily paid dues.

² On October 15, Miss Perkins made the first concrete proposal from the Administration for healing the rupture. See the report in the *New York Times* of the next day. As the presidential elections of 1940 draw nearer, it becomes of growing concern to the Administration that labour votes should be united behind it.

³ *Vide supra*, p. 233, footnote 1.

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which had created a bogus union to embarrass the Guild. Officers of the Pennsylvania State Federation of Labor were about to apply to the courts to protect them against Green's threat of withdrawing their charter if they did not expel Lewis's followers.

It was not surprising, then, that the sentiment at Houston in favour of compromise ran strong. Daniel Tobin, president of the Teamsters, came out against the Executive Council, and announced that his union was tired of bearing the brunt of aggression against the C.I.O.

"The membership of the organized labor movement," he said, has reached an all-time peak strength of more than 7,000,000. With a united front this can be augmented by 2,500,000 more within a short time. . . . I say to you that we want peace and are determined to get it. If we can not build within a united house of labor, we will build outside of it."*

Frey's clique, however, seemed as intransigent as ever. It first of all introduced a report which would have put the Federation on record as condemning Roosevelt and the New Deal and supporting the business men of the Republican Party. The Convention rejected it amid scenes of excitement. Tobin's plea for compromise, and his argument that on a referendum vote the membership of the Federation would acclaim it twenty to one, went unheeded, and it was reported that the Executive would now refuse to negotiate with the C.I.O. until the latter had expelled all Communists from its ranks and all unions which harboured them. The Executive's plan of campaign, then, seemed to be courting the reactionaries in the political sphere, in the hopes that they may sign contracts with the A.F. of L. in the industrial field as a lesser evil than the C.I.O. Then, when Roosevelt and the New Deal are decisively defeated in 1940, the labour movement will revert to what it was before 1933. The followers of Frey, Woll, and Green will emerge as victors to inherit the position they occupied in the days when the Republican Party governed the country.

Such hopes are not without foundation. The alternative is that the A.F. of L. Executive will be left in an isolation more and more glorious, through increasing desertion or disregard of

* See the report of the Convention in the *United Mine Workers' Journal*, of November 1, 1938.

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its affiliated unions; while in the field a universal co-operation is cemented. That signs are already pointing in this direction has been shown. They are strengthened by the recent establishment of the C.I.O. as a permanent organisation with a regular system of internal government throughout the country. Expulsion and reprisals from the Federation are evidently of no influence now. The C.I.O. meets it on an equality as the possessor of equal status. Such a situation should go far towards robbing the Federation of that halo it has always claimed as traditional defender of the American working man: the true state of affairs within the labour movement, and where the true interests of the worker lie, should now be more than ever difficult to conceal.

On the other hand, even if Tobin's teamsters desert, no further signs can be descried that other A F. of L. unions, apart perhaps from the teachers, are contemplating secession. The International Typographical Union, the United Hat and Cap Makers, the Brewery and Bakery Workers, all of whom in 1935 endorsed the principle of industrial unionism and the launching of the C.I.O., have nevertheless refrained from joining it. Having tacitly abandoned the principle of organisation by crafts, the Federation has grown steadily in total numbers despite constant losses to its rivals, and it runs no immediate risk of collapse, thanks to the abiding faith of its members, however unrealistic, that it alone represents the true labour movement. Fear of dualism has undoubtedly kept industrial unions like the Brewery Workers out of the C.I.O.—a fear only strengthened by every successive step towards establishing the latter as an independent and sovereign body. That such rivalry has been forced on Lewis and his colleagues by the A F. of L. Executive, and that the aspirations of the unprotected masses demanded it, can carry no weight with those who accept the Executive's legitimist psychology. All they can see is that the establishment of the C.I.O. has been signalised by dual unions among workers in transport, communications, boot and shoe manufacture, the production of leather and oil, and among clerks, office workers, and architects. Similar feelings have been spread to the ranks of the C.I.O., for the Ladies' Garment Workers have held aloof from the Pittsburgh Convention at which the Committee transformed itself into an independent Congress.

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The A.F. of L., then, has survived these last years with vitality, though hardly with prestige, undiminished. With its exclusive claim to supreme power of dispensation within the ranks of organised labour, will it continue to spend its time and funds first of all in trying to reduce the "dual body" to submission, irrespective of whether in the process it reduces the labour movement as a whole to impotence and invites the reactionaries to put back the political clock to pre-1933? Will its obsession with power force it to espouse every cause which the C.I.O. and its friends abominate—so long as the N.L.R.B. gives a single decision or holds a single election which goes in favour of a C.I.O. affiliate as against a member of the Federation, so long even as there exists another body of genuine organisations to which the Board can award control over workers in opposition to the A.F. of L., will the latter go on, as it is to-day, playing the employers' game and fighting against the Board as a rival claimant to final sovereignty over the labour movement? If so, even when the unions of both sides contrive to co-operate in the local industrial field, their political forces will be spent in efforts of mutual enfeeblement, thus opening the door to the enemies of labour. Political reaction will in turn, by abolishing such allies as the N.L.R.B. and friendly State governors, create the conditions for defeating unions in the industrial field.

Again, ever since peace negotiations were set on foot, in October, 1937, between Green's and Lewis's representatives, there is some ground for supposing that the C.I.O. leadership, now in a victorious mood, has on its side displayed less of a spirit of compromise than it might have. Whether compromise with men like Frey and Woll would have meant sacrificing vital principles and weakening the structure and spirit of the C.I.O., and thereby of the labour movement as a whole, is not clear, but, in view of their well-known characteristics, it seems more than likely. At the best of times it was bound to be a dangerously delicate task to juggle with the jurisdictional frontiers of unions in such a way as to reconcile the hopes and fears of new organisations, many of which had expressly put themselves beyond the reach of established leaders repugnant to them, with the often rather legalistic, yet jealous claims of those very leaders and their allies. So far this task remains undone, despite even appeals from the White House. The question which

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well-wishers of American democracy are now asking themselves is whether the C.I.O. is standing firm on a principle which will vindicate itself, and the unfortunate postures into which the A.F. of L. Executive is betrayed by its legitimist instincts will continue to turn the rank and file against them sufficiently to force a final compromise ; or whether the present attitude of Green's followers will prove unchangeable and the failure of the C.I.O., for whatever reason, to make terms lead only to a fatal cleavage that will scatter the power of organised labour and dilute its ideals. Meanwhile, events will not tarry, and as the presidential elections of 1940 approach, the calamity of labour's disunity becomes more and more serious.

CHAPTER 5

ROOSEVELT'S SECOND ADMINISTRATION

SECTION I. BACKGROUND TO CIVIL LIBERTIES AND INDUSTRIAL DEMOCRACY

IN view of the changes which have already been described in the attitude of Americans towards their economic problems in the years following 1930, and in view of their experience of a New Deal Government favourable to the growth of industrial democracy, it might be supposed that on Roosevelt's re-election to power in 1936 the stage was set for great advances in the labour movement. Some measure of the growth up to 1938 in membership of the unions, now unhappily split into rival groups, has already been given in the preceding Section. It remains to examine how far this growth has been a sign of genuine progress in democracy.

During the years 1933 and 1934 the traditional instruments, grown familiar since 1890 in campaigns to suppress trade unions * and those suspected of any form of political radicalism, were in full use. Progress under a largely pro-labour Government may be measured by the decline in the employment of such instruments and the consequent removal of obstacles to the activities of progressives.

The years of the Great Depression following 1929 brought the ruling classes of America face to face with unparalleled unemployment, unrest, and revision of accepted ideas. Their response to this crisis was a wave of hysterical repression which receded as unemployment declined and Roosevelt's administration seated itself more firmly in the saddle, but still left traces as late as 1936. In that year it merged into the campaign of unrestrained vilification of the President, and subsided on his re-election. This wave of hysteria can be traced most clearly, perhaps, in the use of troops to

* These were described on pp 24-31 above, and their support by the courts on pp. 31 *et seq.*

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meet "emergencies." During the fiscal year 1933-34, according to the War Department, over 12,000 men were called out in civil disturbances, of whom 66% were engaged in dealing with strikes. In the following year the corresponding numbers were 30,000 men and 80% dealing with strikes. The National Guard was fast becoming a strike-breaking agency, for which reason the Department issued towards the end of 1935 a manual called "Domestic Disturbances," instructing troops who were helping civil authorities that "blank cartridges should never be used against a mob, nor should a volley be fired over the heads of the mob. . . . Such things will be regarded as an admission of weakness." Strikers, in other words, should be shot down. The number of strike localities visited by troops were in 1933, 14, 1934, 23, 1935, 73; 1936, 8, and 1937, 11.¹ But by 1937 Governors Murphy of Michigan and Earle of Pennsylvania, elected by labour voters, were, almost for the first time in history, using the troops to protect strikers from brutality organised by their employers, and the majority of military manoeuvres were confined to a single strike—in Middle West steel plants during the early summer. By 1938, so strongly was public opinion running throughout the country, under the influence of a growing labour movement, against the use of violence in industrial disputes, that when, in October, 1938, the Governor of Iowa intervened with troops in the strike of employees of the great packing company, Swift, at Sioux City, he assured the Press that martial law was not being declared and the troops were merely watching. However, that the troops are still far from removed out of the power of employers to use as they will was attested by a court martial of officers of the Minnesota Guard in April, 1938. In this State, employers had never since 1934 requested the Farmer-Labor Governor to send troops against their strikers, for they knew that the Governor would not consent to such tactics. But in 1938 they were discovered influencing officers of the Guard to send them soldiers and military equipment, contrary to orders and regulations, for their private use.²

¹ Estimates for this paragraph come from the *United Mine Workers Journal* of February, 1938, p. 24, *New Republic* of January 1, 1936, p. 228, and annual reports of the American Civil Liberties Union.

² See the *C.I.O. News* of April 9, 1938, p. 7, for the findings of the court martial. It may be interesting to observe in which States troops are used to fight strikers. During

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A witch-hunt of "Communists" accompanied the use of troops during these years of hysteria. That there was no need to consider an enemy's genuine views, but merely to shout "Red" so long as the hunt remained at the beck and call of the accuser, was excellently brought out by Senator LaFollette during his inquiry into industrial espionage.¹ "Frankly," he asked Jo Littlejohn, an official of the notorious Pinkerton Detective Agency, "don't you regard any attempt by men to organize in labour unions as Communistic?" "It's Communistic until we find out better," was the reply. In the autumn of 1934 the great newspaper chain of William Randolph Hearst took up the cry that the universities must be "cleansed". Inquiries were held into the conduct of members of staffs, some were discharged, others cautioned, trouble between groups of students was stirred up by patriotic and vigilante organisations. School clubs were disbanded by the police, children sent to reformatories for refusing to salute the flag.² During 1935 alone sixteen State legislatures considered passing Bills requiring teachers to take oath not to teach "un-American" doctrines, and seven enacted them. During January, 1936, more than fifty Bills were introduced into Congress with intent to curtail civil liberties in one direction or the other. Congress, however, kept its head, and the nation's teachers, aroused as never before by this threat to their freedom of speech, began to denounce the red-baiters with unprecedented vigour and to acquire a corporate political consciousness.

Meanwhile, the old familiar machinery of home-made-violence was not allowed by employers to rust. During 1935 the Amalgamated Association of Iron, Steel, and Tin Workers struck the Berger plant of the Republic Steel Corporation at Canton, Ohio. The local authorities held aloof from the struggle, but the company imported its own guards, arms, and armoured cars and made daily sorties into the town, gassing and shooting at anyone within sight, whether employees of the company or not—men, women, or

the years 1933-37 inclusive, the troops were called out in strikes eight times in Illinois, six times in Alabama, five times in Minnesota and Indiana, four times in Ohio, Kentucky, South Carolina, and Georgia, three times in Pennsylvania, Kansas, and California, and at least once in all but twelve States.

¹ See below, pp 259 *et seq*

² See *New Republic* of December 23, 1935, p 184, and April 29, 1936

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children. Policemen were gassed attempting to restore order, and an end to these atrocities was only made when the city solicitor had applied for an injunction and machine-guns were being prepared to meet the armoured cars. Elsewhere the local authorities consented to undertake the application of force on behalf of companies—during December, 1936, for example, police and strike-breakers injured more than 100 strikers of the Sun Shipbuilding and Drydock Company, of Chester, Pennsylvania, and gaoled over 140 picketing the Berkshire Knitting Mills of Reading, Pennsylvania; while at Hennepin, Illinois, an obliging sheriff enlisted 200 "special deputies" to serve as guards for strike-breakers of the Wisconsin Bridge and Iron Company. The courts, too, were not disinclined to play their traditional rôle, especially in the remoter parts where companies can dominate communities by the more direct methods. Quite a *cause célèbre* occurred towards the end of 1935 when three employees of the Gallup American Coal Company were sentenced to hard labour up to 60 years each on the unproven charge of having shot a deputy sheriff during a *mêlée*. The trouble had arisen in Gallup, New Mexico, when the Company, which owns and dominates the little town and its government, evicted miners and their families from company-owned houses because they were on the black list for union activity. The judge presiding at the trial in Aztec was quite overawed by the vigilante association formed in the town to create the right atmosphere of patriotic unreason, and by the hysterical action of the local authorities, who constructed a bull-pen of high-tension electric wires around the prisoners' gaol.*

In addition to using such means as the above to break the spirit of militant labour organisations, companies frequently resorted to the threat of them in order to forestall unionisation. When, for instance, Francis Dillon, representing the A.F. of L., came into Muncie, Indiana, to organise the General Motors plant there in June, 1935, the distributors of pamphlets announcing his meeting were arrested, the local radio station refused to allow him to

* See the *Nation*, Vol. 141, No. 3670, and the *New Republic* of November 6, 1935, for reports about the Gallup trial. Many cases tried by the N. L. R. B. showed the presence of black lists as powerful deterrents against unionisation during 1936 and later. See especially the hearings of the cases brought against the Freuhauf Trailer Company and the Renown Stove Company.

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broadcast, he was shadowed by the Company's detectives, and men refused to be seen talking to him; the local newspapers began to feature large pictures of pickets being dragged on the ground by police in Oregon, new police were taken on by the city government for use by General Motors and mysteriously paid for out of public funds without any later accounting for this financial transaction. The Press "releases" of the N.L.R.B. about this time are full of an extraordinary variety of means found by employers to influence their workpeople against bona-fide unions.

The Smith Cabinet Manufacturing Company "last summer took prompt and effective action against the formation of a union in its plant," announced the N.L.R.B. on June 16, 1936. "It discharged the newly elected officers. It called upon the workers to sign slips 'for or against the company' It closed down the entire plant on August 5. Its representatives addressed a mass meeting of Salem citizens called to consider the question: 'Do you want a factory and no union, or a union and no factory?'"

Eleven days before this the N.L.R.B. related how a garment factory at Somerville, New Jersey, had invited the mayor of the town to come into the factory and address the girls during working hours. "The Mayor told them in substance to have nothing to do with a union." Now that the National Labor Relations Board had come on the scene the old Yellow-Dog contract was discovered to be illegal: but it was not beyond the wit of company attorneys to devise a more modern form of the document which might at the same time appear as a voluntary statement of employees fit to pass the scrutiny of the Board, while carrying the old threat of discrimination within the factory against those employees who elected to join a union. Quoting from the case of Gate City Cotton Mills, Georgia, the Board declared on December 9, 1935, that

"the company at the hearing explained that its employees were 'satisfied' and gave as evidence of this the fact that 'on a very recent occasion practically all employees of the respondent voluntarily expressed in writing, signed by themselves, their appreciation of the attitude of the Mills toward them.' The

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decision points out that this paper was signed by a number of employees who had previously authorized the union to represent them, and it notes that this statement was passed around among the employees during working hours, in the presence of the foreman."

But it took the steel industry to inaugurate on a really grand scale a method of warning its dependants to have nothing to do with the C.I.O. On July 1, 1936, the American Iron and Steel Institute publicly announced that it would use all its resources to "protect its employees" against "coercion and intimidation" and the "closed shop." The presidents of great steel firms followed this with similar offers of "protection" to their men. The C.I.O. replied by holding a meeting of some 5,000 steel workers near Homestead, site of the massacre of strikers in July, 1892, getting them to adopt a "Declaration of Independence," lay a wreath on the graves of the labour martyrs, and assuring them through the mouth of Thomas Kennedy, lieutenant-governor of Pennsylvania and secretary-treasurer of the United Mine Workers, that employees of the steel companies who might be thrown out of employment in a future strike would receive unemployment benefit from the State. A *ziposte* came from U S Steel on July 27, when it advertised its famous steel fence in the magazine *Time*. The advertisement pictured the steel fence, surmounted by barbed wire and protecting the factory behind, while in front two company guards beat up a group of workers armed with sticks and stones. It was a grim reminder, and within a twelvemonth events showed that certain of the companies were ready to keep their word.

The old problem had still to be met, of business tending to migrate into backward areas where relatively cheaper labour and less freedom for the practice of industrial democracy were to be had.* In the autumn of 1936 Governor White of Mississippi State was promulgating a plan by which local authorities might purchase factories and lease, sell, or donate them to companies at cheap rates. A new note of protest began, however, to make itself heard at this point, coming from informed people in the South itself, especially from those in the educational world who resented

* *Vide supra* p 43, for an account of runaway industrial.

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the diversion of precious public funds from their ill-financed schools to the balance sheets of northern corporations.

The tendency to challenge the old oligarchs wherever they remained in power became prominent in many other areas of reaction. The corrupt machine still functioned as of old in its traditional haunts, but reformers began to cause it an increasingly uncomfortable existence. An excellent example was the State of New Jersey, a district dominated by three large companies—the Standard Oil Company, the Pennsylvania Railway, and the local public utility corporation. Hague, mayor of Jersey City, and vice-chairman of the National Committee of the Democratic Party, controlled the politics of the State * in such a way as to advertise to business men that his State was indeed their paradise. Taxation was kept so low that the State could not raise sufficient funds to qualify for a Federal relief grant during the months of severe unemployment in 1937. A baby in Hoboken died of “malnutrition,” trying to assuage its hunger by licking paint off the wall: the legislature voted to divert highway funds to unemployment relief; the Governor of the State vetoed this proposal. At the beginning of the year the C.I.O. invaded the State, and sit-down strikes were threatened. The Governor then published this statement of policy on the front pages of daily newspapers:

“A labor union has no more right to take possession of a factory than a band of gangsters has to take possession of a bank. . . . The avoidance of bloodshed is of course desirable, but not at the expense of surrender to, or compromise with, or toleration of those guilty of such criminal acts.”

The immediate result of this broadside was to drive the A.F. of L. and C.I.O. into each other's arms in their campaigns within the State. Despite the Governor's warning, sit-down strikes broke out on all sides, and a vigorous water-front strike could not be quashed even by unrestrained police brutality. The more obstinate the unions showed themselves, the more extreme had to be Mayor Hague's action to meet them. Union organisers were beaten or deported, the distributors of union handbills arrested and

* *Vide supra*, p. 57, where Hague's dominion is classed with the backward areas of the South and of the west coast.

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the bills confiscated, critics of the Mayor were gaoled or silenced by methods reminiscent of European Fascism,* a committee created by the Assembly of the State to inquire into corruption at the polls in November, 1937, was abolished by obedient courts, and finally, freedom of speech was even denied such national figures as Norman Thomas, leader of the Socialist Party, and Congressman O'Connell, who were refused permits to speak in the State. When Thomas refused to be thus treated his meeting was broken up by rioters dressed in the insignia of patriotic societies, but undoubtedly organised and financed by Hague, and Thomas was forced to leave the State. By this time the unwonted pertinacity of his opponents had forced the Mayor to overplay his hand, and his name was becoming a national scandal. On one occasion when a question as to New Jersey law arose he had been betrayed into announcing, "I am the law." The C.I.O., the Civil Liberties Union, and other organisations were by now instituting legal action against the Mayor for unconstitutional suppression of civil liberties, and in November, 1938, an injunction was obtained restraining the Mayor from deporting his enemies, interfering with the distribution of pamphlets, the carrying of placards, and other major activities of liberals and unionists. About the same time Hague's candidate for the U.S. Senate was defeated, despite official blessings from the Democratic Party. The machine has not yet been broken, but its freedom of action in certain directions is being decisively checked.

There was nothing new in these forms of anti-democracy. But when the leaders of the A.F. of L. began to make alliances with the enemies of organised labour in order to prosecute their quarrel with the C.I.O., then indeed a new actor appeared upon the stage of reaction. Nothing could be more advantageous for them than to use a Hague to disable C.I.O. organisers, hoping that

* See the *New York Times* on the arrest and conviction of J. T. Burkitt, April 23, 1938. On June 12 these paragraphs appeared in the *Times*.

"It is difficult in Jersey City, except in the privacy of home or office, to get an expression of opposition to Mayor Hague. Many have learned from experience not to become publicly vocal.

"One resident, belonging to one of the oldest families in the city, who recently has been outspoken against the Mayor, was sued on a nine-year-old [promissory] note he had forgotten about. The assessment on his brother's property was raised from 2,500 dollars to 25,000."

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A.F. of L. leaders would be left unmolested in a free field. The anti-C.I.O. activities of Dave Beck in Seattle, using the police through his *protégé*, Mayor Dore, could hardly be distinguished from those of Hague, and, when he had driven C.I.O. and A.F. of L. locals to form a "labor unity council" against him, he met with the same fate as seems to await Hague.* During 1938, moreover, convictions were obtained against a number of A.F. of L. officials to whom violence and arson employed against C.I.O. men or employers who signed contracts with them could be traced on the West Coast. In general, where there has not existed a local political machine which the Federation might turn against the C.I.O., it has not scrupled to join with employers in invoking violence, notably against the C.I.O.'s efforts to organise the various plants of the Aluminum Company of America. The Federation has also brought the courts into the arena of jurisdictional strife—it secured an injunction, for instance, against the New Kensington local of the Aluminum Workers which had voted to secede to the C.I.O. and take with it 27,000 dollars' worth of funds. In this and other cases, however, the Federation ultimately obtained little comfort from the Bench, which has in general upheld the freedom of unionists to join which side they please. As a last resort, the A.F. of L. union will undertake to grant a union charter to the employees of a firm so long as the employer commands them, on pain of dismissal, to apply for this membership and himself undertakes to have no dealings with any C.I.O. organ. The leaders of such an A.F. of L. local are doubtless aware that they will only be tolerated by employers while they cause them no inconvenience. Such a local, therefore, amounts to a company union in a new guise, and the "union" card of the members represents the old Yellow Dog contract.

Here, then, is a brief summary of the situation which faced builders of the American labour movement when the C.I.O. was beginning to set seriously to work in the field and A.F. of L. unions began in competition to liberalise their membership. Now, all these traditional supports of the *status quo*, whether legal or not before, had certainly been declared contrary to the policy of the Federal Government on the passage of the National Industrial

* *Vide supra*, p. 241.

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Recovery Act, and more specifically outlawed by the National Labor Relations Act of 1935. Whether they would in practice cease to exist depended on the active support by the unions themselves of legislative and administrative activity to abolish abuses, and upon the earnestness with which the Government itself implemented its legislation. The work of the Government and its agencies will be passed in review in the next section. Meanwhile, working people themselves were becoming more clearly conscious day by day that in the eyes of conservative circles to be a trade unionist was equally as un-American as to be a Communist. Indeed, the two were practically identical as enemies of the *status quo*. It was this consciousness, then, which at the Annual Convention of the A.F. of L. in 1935 forced the Executive Council to declare its disapproval of the red-baiting American Legion. Working people were coming to identify their fight for industrial democracy with the wider struggle to defend and advance all forms of civil liberty. More and more such middle-class organisations as the Civil Liberties Union are found in collaboration with unions, while governmental agencies in Washington, created in the first instance to safeguard the growing labour movement, have tended to bring within the scope of their functioning forms of general repression such as vigilantism and the use of troops during civil disorders. Middle-class liberals and an awakened working class were combining to wage a campaign for universal liberty.

At the same time, it was becoming increasingly obvious to the masses that however varied their experiences may have been of positive governmental action towards them during the years 1933-36, nevertheless the enemies of Roosevelt and of the New Deal were precisely the same groups that most strenuously opposed popular aspirations. It was perhaps the Liberty League which during these years did most to bring home this lesson. It was this body, supported and financed by the wealthiest and most reactionary employers of the Republican Party, which briefed eminent lawyers to announce in 1935 that the N.L.R.B. was unconstitutional,* thus inviting a national defiance of employers to its edicts; gave 5,000 dollars towards the Grass Roots Convention organised by Governor Talmadge of Georgia in order to declare the alliance of

* *Vide supra*, pp. 147-49.

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northern manufacturers with a southern Governor who had brutally suppressed the textile strike of 1934, in opposing Roosevelt; and employed Al Smith in February, 1936, to broadcast a speech, for the special benefit of the Catholic vote, identifying Roosevelt with Communism and godlessness. No doubt the Liberty League was not unconnected with Roosevelt's good fortune at the polls in the autumn of 1936. The League was disbanded after the election, and the Republican Party, together with its wealthy supporters, seemed utterly bereft of any higher strategy for transferring popular support from the New Deal.

Alignment for or against the New Deal, then, revealing open-shop magnates as closely organised for working together on the political plane as on the industrial, was driving men interested in a labour movement to prepare for thinking and working equally on the political level. This attitude tended to be confirmed by the support to union organisation and all forms of free expression of working people that was given by State officials elected by labour votes or in sympathy with them.¹ The comparative safety in which labour activity could be conducted in Pennsylvania, where Governor Earle subscribed vigorously to the New Deal philosophy² and where over 170 labour men had been elected in 1936 to local offices such as mayors' or judges', in contrast to the neighbouring State of Ohio, or Governor Graves's protection of Negro life and liberty in Alabama, in contrast to Georgia or Mississippi—examples such as these nourished an organised labour vote and promised the termination by political action of those ancient forms of civil repression which still persisted into the era of the New Deal.

SECTION II. THE WORK OF THE ADMINISTRATION

Mention has already been made of detective agencies which supply professional thugs and spies for use in firms against the organisation of their men into unions. It has also been shown how these purveyors of hatred and violence have, in order to earn their

¹ *Vide supra*, p. 91

² Appendix following p. 167 above gives some account of Earle's policy. *Vide supra*, also, p. 28.

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profits, to stir up trouble in otherwise peaceful places.¹ Now in 1935, powerful labour unions, both in their own conventions and in that of the A.F. of L., had adopted resolutions calling upon Roosevelt to institute an official inquiry into industrial violence and espionage, with intent to devise legislation against it. In the following April Senator LaFollette of Wisconsin, a progressive figure of national proportions and a representative of the Farmer-Labor Party, introduced a motion into the Senate for the creation of a committee of inquiry. He and Senator Thomas of Utah, formerly a Mormon missionary to China and a lecturer in philosophy, were appointed to compose this committee, and despite strong attempts behind the scenes to curtail its funds, it has continued to sit, investigate, and publish volumes of evidence ever since. Such an investigation had not been unknown in the U.S.A. before. The Report of the Industrial Relations Commission in 1915 laid bare the whole network of repression against unions with the utmost accuracy, and suggested legislation. But it did not have the opportunity to amass an overwhelming volume of testimony taken from all branches of American economy; and it fell upon the stony soil of post-War reaction, where it could hardly be expected to bear any fruit.² Not so, however, LaFollette's Committee, which has worked closely with the unions, sent observers to innumerable scenes of industrial and civil strife, and used opportunities with such intelligence that its mountains of evidence—copy too sensational even for a conservative Press to ignore—have done more than anything to follow up the New Deal victory of 1936 and paralyse resistance to the invasion by new unions of savagely open-shop areas.³

A survey of fifty cities revealed to the Committee about 800 strike-breaking agencies, of which over 220 furnished spies and twelve were national organisations with branches in a number of industrial centres. About 80 million dollars were paid every year out of the treasuries of industrial companies to purchase the

¹ *Vide supra*, pp. 26 and 37.

² *Vide supra*, p. 74.

³ Findings of the Committee have already been quoted on pp. 155 and 250 above. The evidence accumulated in its hearings by the N.L.R.B. has done much to back up the work of LaFollette, *vide supra*, p. 155. The two agencies have worked side by side, sometimes in collaboration. Facts in the following pages are mainly drawn from the Reports of the Committee.

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services of these agencies, and on a conservative estimate there were 40,000 informers and spies taking part in the activities of unions—that is, about one for every local of the A. F. of L. The profitability of the trade can be seen from the annual incomes of two of the most important agencies:

	Corporations Auxiliary Co.	Pinkerton's Detective Agency
1933	284,847 Dollars	1,466,530 Dollars.
1934	489,131 "	2,187,240 "
1935	518,215 "	2,318,039 "

Customers of the agencies included thirty-six employers' associations, fourteen companies of national scope, twenty-seven railways, most of the major automobile companies except Ford, who manages his own espionage service, the Aluminum Company of America, Firestone Tyre and Rubber Company, Bethlehem Steel Company and subsidiaries of U.S. Steel, Western Union, Westinghouse, and many of the greatest public utility and metallurgy undertakings in the country. Evidence was given by the Secretary of the Employers Association of Akron, home of the great rubber manufacturing companies, that his organisation, connected with such august bodies as the National Association of Manufacturers (N.A.M.), the National Founders Association, the National Metal Trades, and the National Industrial Conference, and affiliated with the National Industrial Council, spent the majority of its funds on espionage. No doubt the same type of activity characterises the other 2,000 employers' associations spread throughout the country. That the services of the spy and the informer were an integral part of American business management, had been demonstrated beyond a shadow of doubt.*

Evidence was also forthcoming of the wider ramifications of detective activity. The spy does not confine himself merely to the union. When, for instance, Edward McGrady, Assistant Secretary of Labor, was present during the automobile strike in Toledo during 1935, acting as the Government's conciliator, he was shadowed by Pinkerton's in the hope of securing information for the employers with which they could outwit McGrady. Pinker-

* See a letter to the *New York Times*, January 2, 1939, by Senator Thomas, stating how very few protests had been received from American companies listed as using spies and professional guards. The general silence confirmed universal use of them.

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ton, questioned by Senator Thomas, admitted that this spying was intended to prevent conciliation and prolong the strike. There were other ways, also, in which the detective agencies conspired with industrial companies to frustrate the efforts of the Government and break the law. • The Social Security Act requires that the names of employees shall be filed with the Government; but to reveal the name of their agents would spell ruin to the agencies, so that the arrangement was made of transferring their men on to the books of the industrial companies in whose plants they were currently at work. Again, the Securities Exchange Act of 1934 requires companies to report all expenditure over 20,000 dollars: many companies have annually expended far greater sums than that on delation, but dare not reveal these figures to their shareholders or the public. They therefore agreed to patronise a large number of detective agencies, keeping the bill for each too small to need reporting. The regulations of States like Wisconsin and cities like Atlanta, Georgia, which enjoin the registration of spies and detectives, have been evaded by legal devices. During the hearings of the Senatorial Committee, witnesses suffered from a remarkable vagueness, or even loss of memory; records were destroyed and correspondence was carefully torn up. However, a patient examination of waste-paper baskets brought the Committee's agents gratifying results. Nor was it only the Federal Government that detective agencies have undertaken to hamper. The reports of union and other meetings sent by spies to their employers were found to contain information about local politicians or candidates for political office who had given pro-labour pledges, and to retail the names of broadcasting stations which intended to permit unionists to use them. Members of juries in important trials were shadowed and intimidated; false affidavits handed in by hired men with the effect of depriving bona-fide voters of a place on the franchise list. Once more the enemies of organised labour are discovered to be thwarting honest government and the general exercise of political liberties

Perhaps the main benefit of the LaFollette inquiry has been to dispel the illusion that it was only a few "bad" employers who spied on their men, and only a few professional guards who did any "harm." That guards quite usually behave like common

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bandits was brought out over and over again in the testimony. What else could be expected of men who were largely drawn from criminal classes,¹ who were armed, and often given regular military training?² The habitual sale of munitions of war to industrial companies by armament manufacturers—one of whom, Federal Laboratories, Inc., was closely connected by legal and financial bonds with the Railway Audit and Inspection Company, a spy agency—was once more confirmed, although it was shown that they now refuse to supply unions with the same weapons. The use of munitions is concealed from employees and shareholders of firms, it was revealed, by transporting them under false labels or through intermediaries like local sheriffs, and entering them on the books as “payments for vocational education.” The ruthless brutality of the profession was brought home to the American public as never before, a profession which will disperse pickets with nauseating gas, boiler-steam from hoses, or electrocute them with live wires.³ Between January, 1933, and June, 1937, some eighty American companies, each expending more than 1,000 dollars on munitions, devoted a total of 490,598 dollars to this end, another 115 companies spent a total of 57,532. General Motors, Goodyear Tyre and Rubber, and in particular the steel companies which met the C.I.O. with violence in 1937, were among the chief traffickers. The other leading characteristic of the profession was also emphasised, its corruption of public life through corruption of men. Innocent workmen or their wives have often been deceived into giving information against their fellows, then blackmailed into continuing as spies. “Undercover” men have over and over again become important union officials, and brought the organisation to ruin or led it into false tactics at crucial moments. In such an atmosphere the worker begins to feel that every man’s hand is

¹ J. R. Walsh in “C.I.O.”, on p. 206, tells the entertaining story of the hiring of guards in the New York elevator strike of 1936. The whisper circulated that they were about to finger-print all those employed, and there was such a rush for the door that two men were injured.

² Especially by the rubber companies at Akron and Gadsden, Alabama.

³ During e.g. the strike of 1934 in Illinois against the Wisconsin Light and Power Company. Mr. H. P. Smolka in his article in the *London Times* of April 5, 1938, p. 18, gives an excellent picture, in the shape of the employment manager of Weirton Steel Company, of the type of manager who employs thugs against his employees. This man sat under bullet-proof glass, with a revolver on his desk, and in his spare time practised shooting at a target in the office.

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against him, and an attitude of universal suspicion hardens to the point when collective action among the men is rendered out of the question. Worst of all, detective agencies will inflame or stir up trouble in order to provide an excuse for forcing their further services on employers—they will even go so far as to make one group of their own operatives fire on another, in order to give the semblance of a riot and bloodshed.¹ No worse social parasites could be found than these agencies which exploit employer, employee, and their own servants alike, and do not disdain political gangsterism.

There can be little doubt that these parasites would cease to exist if employers could see their way to recognising unions. It must be remembered, however, that refusal of such recognition was the main cause of over 50% of the 2,156 strikes reported by the U.S. Department of Labor in 1936. Yet the refusal to recognise a properly designated union, and any effort to disband or discourage it, were declared illegal by the N.L.R. Act of 1935. By implication, then, the Act also outlawed industrial thuggery and espionage, and the N.L.R. Board has administered the Act in that sense. However, the Board cannot be everywhere, and the machinery of the law is slow. Laws, moreover, may be repealed, or the funds for administering them decimated. Meanwhile, at any rate for the time being, public opinion seems to have been effectively mobilised against the use of spies and thugs: and if the invigorated labour movement can establish itself more firmly during the respite, the reintroduction of the old forms of violence and deception may ultimately prove impossible, even if the governmental campaign against them is cut off.² The direct result of the Senatorial inquiry can be discerned in the closing down of some agencies, and the shrinking of others, like the important Railway Audit and Inspection; in the end of espionage within great corporations like General Motors; in a marked increase of the strictness with which

¹ On May 15, 1936, the N.L.R.B. quoted to the Press from the Allen Decision: "The strike-breakers were imported from outside of Philadelphia, many of them not knowing the purpose for which they were being hired. For two nights they slept in the plant. Two of them begged a policeman to aid their escape." This form of victimisation of their employees by detective agencies has been outlawed by many States which enjoin on the agencies to inform prospective employees how they are to be used.

² At its constitutional convention in October, 1938, the C.I.O. passed a resolution that the LaFollette Committee should be made a permanent organ of the Government. The C.I.O. evidently feels at bottom safer in an aroused public opinion than in the hands of laws.

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State governments will license agencies to work within their boundaries, and the arrest of strike-breakers in cities like Philadelphia,¹ where it had been unknown before, in the bringing of suits against powerful companies like the Weirton and Republic Steel Companies² (against whom the public prosecutor had never dared to proceed for law-breaking) by their own employees injured by the companies' thugs during strikes, finally, in minimising the violence which local political tyrannies are prepared to use against invading unions. The knowledge that the Senatorial Committee may be invited to inquire into the practices of a man like Mayor Hague of New Jersey heartens the opposition. Far the most remarkable effect which the Committee has had in this direction, has been the opening up of Bloody Harlan, the county of Kentucky, where agents of the Government and of the unions alike had never been able to move without meeting their death.³ In conjunction with the N.L.R.B., which summoned the coal companies to answer to charges of discriminating against the United Mine Workers, evidence was amassed to serve as a basis for the first legal action undertaken by the Federal Government to implement the N.L.R. Act with criminal penalties. Under the N.L.R. Act itself, only civil penalties, such as compulsory rehiring of discharged employees and the repayment of back wages, are envisaged. But in Harlan the U.S. Attorney invoked an ancient statute, passed in 1870 to check the Ku-Klux-Klan, making it a Federal crime for two or more to conspire to intimidate citizens in the exercise of their civil rights.

That companies are still attached to espionage, however, and may reintroduce the spy as soon as pressure is removed from them, seems to be indicated by the action of one of America's industrial leaders, U.S. Steel, which after the passage of the N.L.R. Act announced that it had abandoned its employment of spies, but was later discovered by LaFollette to have commissioned one of its subsidiaries, H. C. Frick Coke Company, to continue the espionage system on its behalf. Whether the mere passage of laws would suffice to ward off the spy, it is difficult to know. Many States

¹ *E.g.* during April, 1936

² Suits to claim about 2½ million dollars have been brought against the Republic Steel Company as a result of casualties and injuries arising out of the 1937 strike.

³ *Vide supra*, p. 155

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have in the past legislated about the licensing and personnel of detective agencies, but they have been half-hearted, because the theory has been that employment of spies, like any other employment, must be left free and the men's livelihood not interfered with. That this analogy is false was pointed out by the Industrial Relations Commission of 1915, which emphasised that the "undercover" agent is not a regular and normal employee of a company, working like any other workman. Encouraged by the passing of the N.L.R. Act, Pennsylvania in 1935 outlawed once for all the employment of private guards by companies, while the Socialist Mayor of Milwaukee had passed a city ordinance making the employment of strike-breakers impossible. But such legislation only affects some of the activities undertaken by the professional agencies. More hopeful was a Federal law passed in 1936 to prohibit the transport of strike-breakers across State lines. But the Act was too weakly drawn to stand in a Federal court in November, 1937.

It might be supposed that the N.L.R.B., because it can enforce its orders by applying to a court and because it covered a large part of the field into which the LaFollette Committee had been inquiring—namely, that part where a trade union was specifically involved—is in a position to make up for the general lack of legislation and administration against bad treatment of employees. It is important not only to inquire into the truth of this view, but also to examine in general the fortunes of the Board, since its influence on the development of the American labour movement since 1936 has been quite as profound as that of LaFollette's Committee.

The evidence taken by the Board's trial examiners in their various hearings of cases has confirmed the view that as time has gone on the cruder forms of victimisation and discouragement of unions displayed by employers have tended to disappear—this much success must already be conceded to the administrative agencies of the New Deal despite the brutality which marked the first three years of Roosevelt's office.* The migration of industries from unionised areas, or the threat to do this; attempts to bribe union leaders and a direct approach to union members or their families

* See pp 154 and 155 for an extreme example of such success in Harlan. The iron mines of the Mesaba Range have been similarly delivered.

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in order by arguments or threats to dissuade them from joining a union ; indirect methods of dissuasion, such as ridiculing union men before their fellows, or using the Press for anti-union propaganda ; other forms of pressure such as sending agents to note who attends union meetings, or getting retailers to refuse credit to union members—all these have been declared unfair practices by the Board and tended to die out. Employees are no longer threatened with dismissal for union membership. They are dismissed for "inefficiency," or transferred to a department which is about to be curtailed, and thus involved in wholesale discharges. At the same time, the company-dominated union has disappeared. Its place has been taken either by an organisation nominally affiliated with the A.F. of L. but in practice not engaging in genuine union activities, or else by an "independent" union which is financed by mysterious means and sponsored by local "citizen bodies," but which usually turns out to draw its funds from the company in a roundabout way and to be sponsored by men influenced or dominated by the same. In substance, therefore, the company union remains, but it has resorted to legal ruses as a disguise. In this way the Hatchet Gang (company thugs) of Weirton, West Virginia, that classic of company-terrorised towns, has vanished, together with the company union. The Weirton Employees Security League, manned by "loyal" workers (probably composed of former Hatchet Gangsters or other creatures of the Weirton Steel Company), has taken their place, and when exposed by the N.L.R.B. for what it was, threatened to march in a body on the Board's trial examiner as a demonstration of its satisfaction with the company's policy. This enthusiasm forced the examiner to leave Steubenville and carry on the hearings at Pittsburgh. The League then burned one member of the Board in effigy. Needless to say, the Board has not been deceived by these manoeuvres, nor is it influenced by affidavits signed by "loyal" workers under indirect pressure.* The final tactic of the recalcitrant company is to drag out the hearings, and drag proceedings from court to court, putting off the evil day by use of legalistic manoeuvres. The slender funds of the Board are in this way exhausted, and the services it

* Such as getting race-group leaders to influence their flock—Negro ward-politicians, in the case of the Lukens Steel Company. See *C.I.O. News*, June 14, 1937

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ought to be rendering in troubled areas curtailed.* The Weirton Company, for example, has dragged on the hearing of its case for over a year.

When the citizens' committee, the vigilante gang, or the law-enforcement officers themselves undertake to do the company's work of preventing unionisation—whether they are bribed, compelled by indirect economic pressure, or merely interested for the same motives as the company itself in suppressing a local union—the Board has not hesitated to issue cease-and-desist orders against them. In this way it has been forced to enter the lists beside other champions of general civil liberty; for these bodies, outside the specific company, which repress unions, are precisely the same bodies that act unconstitutionally or invoke lynch law against any type of radical or person whose views offend them, be he unionist, Negro, or Communist. Any reactionary body prepared to break the law in violating the N.L.R. Act is bound to come within the jurisdiction of the Board; and the fact that since the wave of red-baiting subsided towards 1936, red-baiters have begun to turn their attention almost exclusively to unions, in particular the C.I.O. affiliates, has meant that the Board is operating over practically the same field as the LaFollette Committee. It has proved impossible to isolate the freedom of exercising the right of labour combination from other forms of free thought and expression.

In July, 1938, 400 men, women, and children attending a C.I.O. meeting in the company town of Elkland, Pennsylvania, were surrounded by armed vigilantes and driven out of town. In October vigilantes deported the families of 300 strikers from Westwood, California. For such outrages it has been possible to appeal to the Board for administrative action. In December the Board ordered the Newberry Lumber and Chemical Company of Marenisco, Michigan, to repair a meeting-hall owned by a union local and demolished by an armed gang sent there by the company. When the Governor of Iowa threatened to use troops to put an end to hearings of the Board about a strike in Newton during August, 1938, the persistence of the Board in continuing the case in Des Moines signified a defeat of those old destroyers of unions—bayonets. About the same time the Board's examiner was refused

* For July, 1937-38, 2,385,000 dollars formed the Board's appropriation.

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premises, even by Federal officers, in New Orleans, where hearings were to be held on a strike; and records required by the examiner in the case were stolen by the police. But despite this unconstitutional and outrageous interference, the Board persisted, and finally held an election to establish the union. These were the crude reactions of anti-democratic forces only to be expected in backward places where the advent of unions was an unheard-of thing, but where an invigorated movement was now beginning to penetrate, trusting in the long arm of Washington, which was now for the first time specifically empowered to give protection.

More significant, perhaps, for the future has been the Board's action against more subtle forces tending against labour organisation. First place must undoubtedly be given to its services in exposing the citizen's committee (or patriotic or vigilante body) which gives support to "independent" unions of "loyal" employees. This technique of countering union activity was first extensively used in the summer of 1937 to break the steel strike then launched by the C.I.O., and was carefully organised in order to deceive the public into imagining that not the steel companies, but the local communities were encouraging a "back to work" movement of "loyal" employees opposed to the C.I.O. The type of evidence, for example, which the Board unearthed at Johnstown, Pennsylvania, was that an official of the Bethlehem Steel Corporation handed 30,000 dollars to the cashier of the local bank, who was also chairman of the local Citizens' National Committee formed to combat the strike. At the same time the mayor, a man with a shady past, acquired the same sum without being able to account for its origin, while equipment for additional police was purchased by the city government yet no apparent payment made to the new policemen who undoubtedly used the equipment to break up the picket lines of the union. Elsewhere, more obvious connections between citizens' committees during labour strife and the companies concerned have been found, such as a shareholder of the company at the head of the committee. Where open action of a union, such as striking, is obviously defeated by some agency, however unconnected on the surface with the employers concerned, the jurisdiction of the Board cannot be denied. But when no such obvious hurt is being done a union as breaking a strike,

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and when at such a time unions file charges against their outspoken opponents, there seems no boundary to the Board's interference with community life in order to quash unfair practices caused indirectly by employers. Thus, during March, 1938, when the rubber companies in Akron were quarrelling with the United Rubber Workers, the latter filed charges against the companies because a Press campaign of intimidation against them was being launched in the local papers. Later, in June, the Steel Workers Organising Committee of the C.I.O. (S.W.O.C.) charged the American Rolling Mill Company with taking part in the municipal elections of Ashland, Kentucky, against the union by disseminating anti-union propaganda and compelling various civic groups to vote against the labour candidate. For the Board to take jurisdiction in such cases is logical¹—the ramifications of anti-union activity permeate the whole life of a community, and the Board should follow these ramifications. To do so would undoubtedly be to render the country an extraordinary service in striking at the roots of that deception and influence the use of which prevents modern communities, literate but uninformed, from a full exercise of their civil rights. It is not likely, however, that the courts would uphold the Board in going so far. But, on the other hand, the mere threat of bringing the Board into such situations can and does serve as a check to democracy's enemies.

The correlative of unfair practices outlawed by the decisions of the Board is the establishment of positive rights. Freedom of thought, speech, and movement have always been taken for granted in a democracy like the U.S.A.; but the Board has had to enforce the practical concession of these in many areas. More novel has been the Board's championship of a right less commonly recognised—a championship so far upheld on the whole by the Supreme Court.² Employees have a property interest in their jobs parallel to the interest of a shareholder. Strikers or union members, therefore, may not be discharged as such, not even if it turned out that the grievance of the men in striking was imaginary. Employers who fly by night in order to evade unions must either return and

¹ As it did in ruling that the Harlan Fuel Company must allow free movement of union organisers in its village of Yancey. See the *Mine Workers Journal*, August 15, 1938.

² Upheld decisively in the Mackay case, decided May, 1938. See pp. 363 and 364 below for the Court's recent change in attitude.

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offer the same employment, or pay to transport their former employees to the new work-place. The Board has maintained, furthermore, that part of the employee's right to a job is his right to collective bargaining. In the case of the Juneau Gold Mining Company the Board declared that it

"has no power under the Act to decide upon the subject matter or substantive terms of a union agreement . . . the Board may decide whether collective bargaining negotiations took place, but it may not decide what should or should not have been included in the union contract . . ."

As objective criteria of bona-fide collective bargaining, the Board has advanced the making of counter-proposals by employers, giving figures and reasons why the conditions of employment demanded by a union cannot be granted, and the presence at negotiations of a company representative with full powers who does not waste time baiting or cross-examining union representatives. When some agreement is come to by both sides, it should be incorporated in a written contract. The rôle of the Board, then, in collective bargaining, remains modest, and in no way a substitute for the weapons of trade union pressure. But it can clear the way for a use of these weapons not only by bringing each side to the conference table in a reasonable frame of mind, but also in determining the constituents of each side.

It is at this point that rupture in the American labour movement begins seriously to affect the work of the Board. When rival C.I.O. and A.F. of L. unions organising within a single firm demand the Board to hold elections to determine the proper representatives of the men, the one requesting an election on a broad industrial basis, the other asking for separate elections for different groups of workmen, what is the Board to do? It is certain that at the time of the framing of the N.L.R. Act such a situation was not envisaged. Yet, since it has arrived, the Board could not function without meeting it. It was certain at the outset that general discontent would be engendered, for whichever side failed to persuade the Board to accept its petition would be alienated. Consequently, Lewis and Green sometimes applaud the Board, sometimes denounce it. That it had no intention of treading on the unsafe ground of inter-union jurisdictional disputes, can be seen

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from the early decisions of the Board during 1936, when it refused to take any action in cases where two affiliates of the A.F. of L. were quarrelling for jurisdiction.¹ In the matter of two Louisville, Kentucky, tobacco companies, the basis of this decision was announced in these words: "It is preferable that the Board should not interfere with the internal affairs of labor organizations." Again, in May, 1938, a trial examiner of the Board refused to meddle with the discharge of some C.I.O. members by a barge company because the company had been threatened by an A.F. of L. union if the C.I.O. men were not got rid of. But if an employer voluntarily uses an A.F. of L. charter as a means of keeping out C.I.O. organisations, the Board has to act in order to disestablish what amounts to a company union. In the case of the Electric Vacuum Cleaner Company of Cleveland, Ohio, where an agreement had been made with A.F. of L. leaders in order to ward off the C.I.O. Electrical Workers,² the ruling was that the company had thus acted without "valid basis," since at the time when the agreement was made, "there is no showing in the record that . . . the employees were informed concerning it or that the agreement was then put into effect."³ Or again, when two rival unions are organising in the plant, and the employer openly encourages one, and later discharges men for membership of the other, the Board has no alternative but to order the company to desist, and re-employ the men.

Under such circumstances action by the N.L.R.B., however unpopular, seems incontrovertible. But when both unions between which a choice had to be made proved bona fide, then the matter assumed new difficulties. The Board's plan of action³ was that since "self-organization among employees is generally grounded in a community of interest in their occupations . . ." each case must be judged on its merits, in order to discover where that community of interest lay. Seven criteria were worked out by reference to which each case might be decided. Definition by skill and by the wishes of the men concerned, especially when the jurisdictional limits assumed by an established union were taken to

¹ *Vide supra*, p. 151.

² See *C.I.O. News* of July 16, 1938.

³ See *Second Annual Report of the N.L.R.B.*, pp. 122-40, from which the quotation to follow, and much of this paragraph, are taken.

incorporate the free will of employees, tended to lead to the Board's designating near-craft A.F. of L. unions as the proper representatives of work-people split up into small groups. Such designation seemed to be backing up precisely that policy of the leading A.F. of L. organisations—refusal to organise seriously various groups which fell within their charter-jurisdiction—which led to the secession of the C.I.O. In the Allis Chalmers Manufacturing Company case the Board decided that the C.I.O. United Automobile Workers might represent the production workers only, while the electrical maintenance department and the power-house employees might each go into separate A.F. of L. unions, and the draughtsmen into an independent organ. Now, in view of the fact that the plant had been an exceptionally difficult one for the near-craft unions to organise, so that they had had to call in the help of the C.I.O. industrial union, the weakness of a number of separate unions in dealing with the management seemed to have been demonstrated, hence for the Board to follow out the wishes of employees as suggested to them by rival union leaders may have been to weaken the bargaining power of the whole. In fact, Edwin S. Smith, one of the three members of the N.L.R.B. in Washington, dissented from the majority opinion, on the grounds that the N.L.R. Act's command to follow the wishes of the majority in designating their representatives had been violated. His contention was true if the total work force of the plant were considered, untrue if each group within it were taken separately. The implication was that Smith saw no reason to split up the employees in order to discover their true communities of interest. When, therefore, these criteria were taken in conjunction with another—the history of collective bargaining in a given industry or company—the claims of A.F. of L. unions naturally tended to attract the Board rather than those of the newer and broader C.I.O. and, in general, A.F. of L. arguments have been favoured.* When, on the other hand, the

* Despite this fact, however, the A.F. of L., for reasons given at the end of the preceding chapter, will oppose the present Board and Act. It seems likely from the above argument that most of the A.F. of L. unions decided against by the Board have in fact been virtually company unions. Sometimes the C.I.O. union has been able to build up enough "history" already to defeat new attempts of other unions to detach groups—see the decision of July, 1938, against the Order of Railway Conductors, who wanted the railway conductors and brakemen of the Wheeling Steel Corporation of Steubenville, Ohio, a plant organised by the S.W.O.C.

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criteria of common interest have been found in the nature of mer- work, the functional coherence of various departments in a complex unit of production, or a common wage rate or manner of paying wages, taken together with the extent and manner of organisation of the total business concerned, the broader industrial type of union has been favoured. A very remarkable decision on these lines was handed down in June, 1938, when jurisdiction over 12,860 longshoremen on the Pacific coast was granted to District No. 1 of the C.I.O. union, whose membership at the time was already 9,557. The A.F. of L. union wanted the election to go port by port up the coast, in order that some districts might be retained under their control. But since Harry Bridges' Maritime Federation of the Pacific had been accustomed to bargaining with employers on a coastwise basis, the Board ruled that the whole of the Pacific coast should be designated their natural unit for collective bargaining. In November a similar ruling was handed down for the industry of toy manufacture. Needless to say, the benefits of such wide interpretations are not only invaluable to unions in meeting the united front of employers organised through their close trade associations, but they are invaluable for introducing unions into plants and districts where penetration had previously been met with stubborn resistance. For the latter reason the C.I.O. has expressed hopes of winning the right to a nation-wide election for all America's steel plants whereby the effort of organising those companies which broke the strike in 1937 may be economised.

Whether the Board has always wisely combined its seven criteria for determining a correct bargaining unit, then, remains open to question.* Criticism may also be levelled at the conduct of elections to determine who is to represent a given group. One accusation comes from the aggrieved A.F. of L. electrical union :

"It has permitted the noisiest aggregation of unionists to compel elections and to electioneer by mob tactics, misstatements, and intimidation of voters. Here is where the board has fallen down in

* The question of the N.L.R.B.'s jurisdiction in cases where the C.I.O. and A.F. of L. were in conflict was reviewed by the Supreme Court in December, 1938. The Board had ordered the Consolidated Edison Company of New York to cease bargaining with the A.F. of L. union. The Supreme Court agreed that the Board had the right to order this if it could prove its case, but, to do so, must institute a better procedure. Meanwhile, the order to cease exclusive bargaining with the A.F. of L. union was upheld.

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the administration of the Act. It is not enough to call elections. It should see to it that the elections are carried on in the way of democracy. . . ."¹

Moreover, the Board has often criticised its own elections by later voiding them on the grounds that they were illegally influenced, and there is ample evidence that choosing the time for elections in plants is a ticklish affair. At what moment will men vote their real views and not reflect the propaganda of the day? Certainly the Board has not solved this problem which has baffled statesmen and educationists for many a year. But its intentions to be fair cannot be seriously questioned, although they might be more easily expressed if the Board had funds with which to police a district. Again, the Board cannot be blamed for delays. These are due either to lack of funds and small personnel, or to the manoeuvres of employers in the courts—a fact well recognised by unions which often strike in order to force an end of them—or due to the courts themselves, which have refused to grant priority of hearing to the Board's cases. Great efforts are made to reduce such delays by settling complaints by consent and without the need of any formal hearings, a course which will doubtless become increasingly available as the habit of collective bargaining spreads throughout the country.

On balance, the Board appears to have acted with the greatest fairness, given its resources, and largely for that reason to have met with considerable success. With very few exceptions,² the procedures it has followed have been approved by the courts. Nearly a hundred injunctions brought against the Board have been reviewed by the higher courts so far, and not a single one sustained.³ Since the validation of the N.L.R. Act by the Supreme Court in April, 1937, unions on both sides have made increasing use of its services, by 1939 filing in all some 12,000 cases, and reiterating their confidence in Madden and his colleagues. That the Board

¹ See *Electrical Brotherhood's Journal*, p. 339, August, 1937. From the same source come criticisms of the close connections of trial examiners and the Board's legal staff with the C.I.O. Only one or two examples of proved corruption by agents of the Board have come to light.

² *Vide supra*, p. 273, for one example

³ Even A.F. of L. leaders, who make bitter comments on the N.L.R.B., have praised its fairness in their time. *Vide supra*, p. 146

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has at any rate been judicious in steering its course amid the quicksands of inter-union hostilities appears from the record of those cases where A.F. of L. and C.I.O. affiliates came directly into conflict. Of the forty-one such cases up to June 30, 1938, the A.F. of L.'s contention was adopted in twenty-one, the C.I.O.'s in sixteen, part of each in four more. Most of the cases so far settled have involved the restoration to employment of men discharged for union activity. The black-list being thus outlawed, unions of all sorts experienced a rush of applicants to join them as soon as the N.L.R. Act was validated. More than 10,000 workers have been placed back into their jobs by the Board, many being union leaders. Here, then, organisers have a trump card to play against the anti-union arguments of their opponents. By the end of 1938 the mere threat of applying to the Board was inducing many employers to sign collective contracts. The benefit its activities have conferred on America's labour movement has been profound. The rank and file recognise this by striking to force their employers to use the Board's services. Yet, the Board will not perform the union's task for it, since it will refuse to hold elections where there is no evidence of genuine organisation. Nor can it enforce a collective contract. The N.L.R.B., therefore, is an agency working side by side with strong unions, but no substitute either for the organising strike or the picket line.

The N.L.R. Act, recognising that nine-tenths of American industry had yet to learn the habit of collective bargaining, was drawn in a very mild spirit, imposing no penalties on employers who were convicted of unfair labour practice, and aiming to promote co-operation between masters and men. The Board has administered the Act in this sense, and regarded its first function * as that of swift and informal conciliation and mediation. During the first 28 months of operation it averted 505 strikes threatening to involve over 127,000 workers; settled 1,060 of the 1,372 unavoidable strikes which came within its jurisdiction; settled 55% of its cases by promoting mutual agreement, and had withdrawn or dismissed 40% more. Only 5% of all cases, therefore, reached formal hearing, and out of 11,190 cases finally closed only 250 required the issuance of formal cease-and-desist orders.

* *Vide supra*, pp 146 and 150, for the functioning of the Board.

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In other words, all but a very small minority of employers have tried to co-operate with the new law, a remarkable tribute to the work of unions and governmental agencies in a field where the processes of peaceful industrial relations were little understood. Many leading corporations, like U S Steel and General Electric, decided that the time had come to accept a change in the public mind and to outgrow their cruder methods. They consequently disbanded their company unions, and have signed contracts with C.I.O. unions.

An important minority of resolute employers, on the other hand, led by Henry Ford, Rand, who manufactures Remington typewriters and other office machinery, and Girdler of the Republic Steel Corporation, have made up their minds to defeat the Board and have nothing to do with unions. The first blow to their hopes was when the Supreme Court, contrary to all expectation, validated the Act and went further in re-defining the scope of inter-State commerce than ever before.* As a result, an extremely wide range of enterprises, including insurance companies, banks, and public utilities which serve only one State but draw their materials from across the border, were brought within the action of the National Labor Relations Act, while State Acts passed as complements to the Federal Act began to cover the remaining firms within their territory. It remained only for the recalcitrant companies, then, to drag out their cases in the courts so that the evil day might be put off, hoping that in 1939 Congress would either repeal the N.L.R. Act, or amend it into impotence, or cut down the appropriations of the Board so that its activities are hamstrung. The A.F. of L. announces that it will support these efforts. Meanwhile, the national Press resounds with propaganda against the Board to prepare the public mind for its demise. The advent of the sit-down strike in 1937, and the close on 5,000 strikes of that year, are quoted as evidence that the Board stirs up trouble in industry. "Independent" unions, and local authorities frightened by threats of manufacturers that they will leave town, add their voices, while senators and congressmen in Washington accuse the Board of being an adjunct of the C.I.O. and the Communist Party. F. H. Wood—Rand's, and later Ford's, attorney—

* See the Supreme Court's decision in the four cases of April 13, 1937.

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has been directing much of this propaganda, and the newspapers have very readily lent their ear because the Board has refused to leave them in a charmed circle outside the law and has ordered many to bargain collectively with the Newspapermen's Guild. In this way the Board, putting an end to bad employment practices of newspapers,¹ "interferes with the freedom of the Press." So the public is informed in headlines. On one occasion, Madden, Chairman of the Board, had to point out in public that "most criticism of the Board is from editors who do not read its cases." Their information comes, of course, from corporation lawyers and employers' associations impelled by a small minority of stubborn employers, whose power, however, to influence the public mind through the Press is great. The advent of the sit-down strike also gave an excuse for saying that the American unions were irresponsible, and should be incorporated so as to be answerable to the law, for their actions. But since unions are already fully answerable at every step under existing law, the argument for incorporation is mere cloak to a malignant intention of passing some law which should interfere with the right to strike and picket, and force unions to publish a list of their members which would serve as a convenient black-list throughout the country. There was much talk during the autumn of 1937 about the need to pass some law in America corresponding to British combination law,² the impression being that the 1927 Trades Disputes Act had paralysed the British unions and, if transported across the Atlantic, might have the same effect on the American. This illusion was dispelled when Roosevelt appointed a mixed commission of business men and labour leaders to investigate British law on the spot during the summer of 1938. The Report of this Commission must have been an unpleasant surprise to Tom Girdler and his friends, for they were told that British business men took collective bargaining in industry for granted. It is still possible, however, that should it prove too unpopular to ruin the N.L.R. Act, the tactic of taking the unions out of the hands of the Board by thrusting them, under new legislation, into the ordinary courts, where judgment is usually

¹ Especially bad methods of hiring and firing reporters and journalists without reference to seniority

² LaFollette's Committee revealed that this talk emanated from Girdler, via the N.A.M. See *C.I.O. News* of August 6, 1938.

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more partial to the employer, may yet be followed. Already, both Ford and Rand have been able, by choosing their courts carefully, to obtain acquittals from judges for anti-labour practices, such as assaulting union organisers, despite overwhelming evidence of their guilt presented from N.L.R.B. hearings. The future of the Board, then, remains obscure.

Any piece of administrative machinery like the N.L.R.B. must depend for its fate ultimately on the attitude taken towards it by the courts. When Roosevelt entered upon his second term of office, the Supreme Court had already pronounced a verdict of death upon the N.R.A., upon the two major measures framed to help the farmers,¹ and upon two pro-labour Acts.² It looked as if the New Deal was about to founder upon the same rock as many a previous liberal programme. Towards the end of the anti-red and anti-union hysteria of the post-War era, the Supreme Court handed down a number of decisions which virtually crippled union activity in certain directions. It was feared by the Executive of the A.F. of L. in session at Miami in January, 1936, that the similar hysteria of Roosevelt's first administration was about to be followed by a similar broadside from the Court. That the Court's attitude towards the New Deal was dictated by its own prejudices rather than by the nature of Roosevelt's measures seemed clear from the narrow interpretation put upon the scope of inter-State commerce for the purpose of invalidating the N.R.A. when the Court might have clung to the alternative tendency, inaugurated in the day of Justices Holmes and Taft,³ of defining it more broadly. The feeling, not only throughout the ranks of organised labour, but also among farmers and all those who believed in the New Deal, ran dangerously high against the Court, and it seemed inevitable, since Roosevelt had had no opportunity of appointing any new justices to the supreme Bench on the retirement of others, that the licence of the "Nine Old Men" should in some way be curbed.

¹ The A.A.A. and the Farm Mortgage Act. *Vide supra*, p. 95.

² Guffey Coal Act and Railways Pension Act

³ Thus, starting with the Swift case in 1905, the Supreme Court had accepted Federal regulation of the meat-packing industry and the grain exchanges. The Court had fluctuated all the way from interpreting inter-State commerce as a matter of physical transportation of a product to equating it with anything essential to the working of the national economy.

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In November, 1936, Roosevelt returned to power with an unprecedented majority. That the country was behind him even more unanimously than in 1933 needed no further demonstration. At the beginning of 1937, then, the President announced that he required two major pieces of legislation. The first was the long-overdue reorganisation of the Civil Service, a measure to which even Hoover had been committed and the national Press had given approval when a body of experts, set up by Roosevelt to examine the project, had reported some months before. The second was to eliminate the opposition of the courts, not in any of the drastic ways that had been widely advocated—amendment of the Constitution or giving the right to override the Supreme Court to Congress—but by inviting judges over seventy to retire or by appointing one additional young judge for every judge over seventy who refused. At that time six of the judges of the supreme Bench were over seventy, and in other superior Federal courts, like that of the Third Circuit Court of Appeals, the average age of the justices was over seventy-seven. The President, then, aimed at no radical change in the powers of the courts, but only at keeping the opinion of their personnel more in line with the times, and securing for himself the opportunity, enjoyed by most presidents but so far denied to him by mere bad luck, of making some appointments to the Supreme Court which would tip the balance in favour of the New Deal legislation. In this way Roosevelt interpreted what was indisputably a wholly popular mandate in the most conciliatory manner. But, as if to prove how little the votes of the people count when they are opposed resolutely by the wielders of economic power, such an opposition was raised on the palpably false cry that the President was striking at that foundation-stone of American liberties, the Constitution, that both the President's Civil Service Bill and the Court Reform Bill were defeated after a stubborn battle between President and Congress which for the first six months of the year held up all legislation. A special session was called for the months of November and December, 1937, and another effort was made to pass the Civil Service Bill and other important measures, but in vain. The President had lost control of his own party, and Congress had bowed to the will of the conservatives without any concern whatever for the popular vote. A

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more portentous spectacle in a great democracy it is hard to imagine.

However, although business has made no formal concession and in no way given up its old bulwark against progressive legislation—the courts—the President's anti-Supreme Court campaign of 1937 has had a profound effect upon that august body for the time being. Two of the most reactionary of the judges retired voluntarily, and Roosevelt took his revenge on Congress by appointing in August, 1937, Senator Black, a leader of the left, to the Court. The later appointment of S. F. Reed, U.S. Attorney General, to fill the second vacancy, was more conciliatory, since Reed is decidedly more moderate in his liberalism than Black. In elevating Governor Allred of Texas, a man of thirty-nine, during August, 1938, to a vacancy on a Federal district court, Roosevelt showed that he was intent on his plan for injecting younger blood into the judiciary.

These appointments, together with the Congressional struggle of 1937, have caused the Court to execute a remarkable *volte face*, and to hand down a series of unprecedentedly progressive decisions which until 1939 at all points validated New Deal measures and philosophy. In June, 1936, the Massachusetts Minimum Wage Act for women was declared unconstitutional. In March, 1937, Washington's similar law was upheld. Civil liberties have been strengthened by invalidation of three oppressive State measures,¹ and by the denial that Communism as such is a deportable offence.² State universities must now accept Negroes on equal terms with white students, even in the South.³ The Railway Labor Act, the T.V.A., the Securities Exchange Commission, the building of publicly owned power-lines, and a number of measures designed to extend the Federal taxing power and stop loopholes against the evasion of income tax, have all been upheld by the Court in the twelve months or so following March, 1937. It has already been said that certainly until 1939 the N.L.R. Act and the rulings of the Board have been similarly validated—a good fortune which has

¹ The Oregon anti-syndicalist law, a Georgia anti-conspiracy law, a Georgia ordinance against distributing hand-bills

² April, 1938, decision by the Federal Circuit Court of New Orleans, and sure of validation in Washington

³ December, 1938, Supreme Court.

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been shared by those State labour codes passed to supplement the national Wagner Act.

In one respect only, but that an important one, has the Supreme Court opened up a path which might be followed when the right moment arrives and bring disaster upon the administrative agencies of the New Deal or of any future government distasteful to the Court. In 1921 the Packers and Stockyards Act empowered the Secretary of Agriculture to hold hearings and prescribe "just and reasonable" commissions for dealings in livestock. Complaints against the rates prescribed by Secretary Wallace in 1933 for the Kansas City yards came before the Court in June, 1938, and a verdict was given against the Secretary because he had not personally heard or read any of the evidence arising from the hearings. Here, then, seems a path which, if followed, might strike at the functioning of any quasi-judicial administrative agency with power delegated from Washington. Furthermore, in the Consolidated Edison decision handed down in December, 1938, the Court held that the N.L.R.B. must base its rulings on "substantial evidence." Now, who is to decide what evidence is substantial but the courts? Not only the procedure, but the findings of governmental agencies may, therefore, be reviewed by courts. The whole bureaucratic machine without which economic policies, necessitated by contemporary developments in the U.S.A., cannot be executed, may in this way be tied hand and foot by litigation accepted or fostered by the courts. Reactionary economic magnates may thus be enabled to defeat the efforts of popular governments to control them. That they have this plan in mind seems clear from the proposals of the Republicans at the Constitutional Convention held in New York State in the autumn of 1938 in order to revise the constitutional document of that State. The Republicans succeeded in inserting in the referenda later to be put to the vote throughout the State, the proposal that the fact-finding of all governmental boards should be subject to judicial review.* It was precisely on this issue that the Supreme Court of Pennsylvania, in July, 1938, invalidated the law limiting hours of work throughout the State to forty-four a week—"illegal powers" had been "delegated to State agencies."

* The proposal was happily rejected at the polls

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Roosevelt's chastening of the Supreme Court, then, has in no sense solved the problem of the judiciary as a constant drag on efficient or just government. Unless definite boundaries are set to judicial action, it is impossible for any government to know when the Supreme Court may signal a change in the trend of legal decisions, nor can there be any guarantee against simultaneous contradictions among the courts themselves,¹ leading to serious regional lags in the working out of policy. It seems highly probable that, relatively liberal as the view of the Supreme Court is today, it would not tolerate a genuine programme of positive economic development or planning, centralised on Washington. Justice Black is the only man on the Bench who has shown the will to cut at the base of all that legalistic growth which has been allowed to luxuriate around the Constitution and its amendments, under the sedulous cultivation of company attorneys, and which has twisted them out of the true intention of their creators so as to exempt business from proper popular control. Justice Black alone has said the simple truth, that the Fourteenth Amendment providing that "no State shall deprive any person of life, liberty, or property without due process of law . . ." did not intend to include business undertakings as "persons." The use of this Amendment, therefore, on which companies rely when they challenge official regulation in the courts, has been granted only by way of a judicial conspiracy to rob the legislative of power, and to permit business to evade the law in the name of the Constitution. Until a bench full of Blacks overhauls the whole of American judge-made law, a Damocles' sword must continue to hang over the heads of Congress and the President.²

It has been through the agency of the LaFollette Committee

¹ During 1938 *e.g.* the U.S. Circuit Court of Appeals in Philadelphia delivered seventeen decisions in contradiction to those of the Supreme Court, which the latter had to reverse. Meanwhile, a State judge in Iowa was imposing fines of 500 dollars and gaol sentences up to six months on strikers—in direct violation of the policy of the N.L.R. Act.

² According to the Report of the Civil Liberties Union, the year 1937-38 has shown an all-round improvement in judicial decisions, corresponding to the change of heart on the supreme Bench. On the whole, State programmes supplementing the legislation of Roosevelt for Federal spheres have been upheld by State courts. The securing of an injunction against the suppression of civil liberties in New Jersey was a triumph for progressivism, and may be followed in other areas. Picketing and the secondary boycott have always been vexed questions in the courts. On the whole, the courts seem to have favoured the unions of latter years, except on the west coast, in this respect.

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and the N.L.R.B., backed up by courts transformed under Roosevelt's interpretation of the mandate of 1936, that the labour movement has drawn the majority of support from a New Deal Government. During the great strikes of 1937 by which the C.I.O. forced its way into the steel and automobile industries, the President was publicly rebuked by Lewis for blowing hot and cold at moments when his personal support was sorely needed. During the steel strike in June, Roosevelt's attitude was an impartial "Plague on both your houses," while next month the Secretary of Labor, making the first official pronouncement from Washington on the subject of the sit-down strike which was then causing some unfavourable reactions from middle-class spokesmen, declared that it was "full of hazards" and should be avoided. However, it is possible that their aloofness in Washington to union activity in the industrial field was only the correlative of the C.I.O.'s attitude to the political arena, which was relatively neglected during those months when every resource had to be devoted to the conduct of critical strikes. Washington is bound, after all, to bend before whatever pressure is applied at the moment. During 1938 the C.I.O. turned its attention more seriously to political pressure, and the President warmed noticeably towards the unions, sending a message in May to the Amalgamated Clothing Workers' Convention which pledged support to the cause of labour, and during the autumn refusing very firmly the united application of the railway companies to lower their wage structure and thus strike at the level of wages throughout all industry. On the whole, despite the orders of the A.F. of L. officialdom,* urban workers supported Roosevelt's candidates during the 1938 Congressional elections and would have nothing to do with the third-party movement launched by Phil LaFollette, Governor of Wisconsin, at the time when Roosevelt seemed finally to have lost control of the Democratic Party.

Just as the attitude of business during the N.R.A. forced Roosevelt to abandon his theory of co-operation during his first administration, so during the years 1937 and 1938 he has been forced towards the left by powerful interests working through a hostile Congress. Measures springing out of the New Deal philosophy have come

* *Vide supra*, pp 238-39

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more and more obviously to be supported only by a handful of progressives reflecting the votes of labour, and opposed by the national Press, economic magnates from both South and North, and consequently by the great majority of both parties in Congress. Roosevelt's programme of 1937 provoked a division of opinion far from the usual regional lines. In the Senate, for example, Black of Alabama, Pepper of Florida, and in the House Maverick of Texas were opposed to Garner of Texas, Robinson of Arkansas, and a host of northern Senators when it came to dividing on the court reform Bill. Similarly over the Hours and Wages Bill, a measure designed without reference to that wage differential between South and North which has encouraged a southward migration of industry to areas of low wages and bad conditions, but framed rather to set a national maximum to hours of work and a minimum to wages; here the opposition forces were arrayed from Republicans, southern Democrats, New York Tammany Democrats, and the A.F. of L. officials. The Bill was finally forced through Congress in the summer of 1938 by heavy pressure from the President, whose candidates were being elected in various primaries, and whose prestige was consequently rising so noticeably that rebellious members of the Democratic Party were taking fright at this demonstration of the hostility of public opinion towards them, and by equally heavy pressure from combined C.I.O. and A.F. of L., backed up by deputations of southern textile workers to Washington.

The spectacle of an irresponsible Congress able for a whole year to halt the legislative machine while it blocked the programme of a president elected by such an overwhelming majority, seems to have convinced Roosevelt once for all that he should no longer pose as leader of the Democratic Party as such, but should cut across the old party divisions and make it clear to the country that the genuine issue in American politics was now the New Deal—those for or against. Those Democrats whom the President chose to support during his tour across the continent at the end of the summer of 1937; his speech at Gainsville, Georgia, on March 23, 1938, in which he denounced the unduly low wage structure of the South, the backward social conditions, and the reactionary landowners who have always, none the less, formed the backbone of his own

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party; finally, the discriminating support, during the primary elections of 1938, given by the Washington administration only to those who had shown a genuine sympathy with New Deal measures—all these were an education to the public and a clarification of the underlying issue on which they would have to vote. It is difficult to praise the Administration too much for this courageous, and unprecedented, policy. It may bring a split in the Democratic Party in 1940 and a temporary defeat for the New Deal philosophy; but without some such cutting away of the undergrowth of traditional sentiment and irrelevant local issues the electorate will be endlessly misled by those whose interest it is to confuse the public mind about their real intentions.

The result of the campaign against the Supreme Court was an important, if costly and only temporary, victory for Roosevelt against the enemies of the New Deal. He has furthermore used the traditional weapon of the anti-trust laws to strike at the roots of their power—during his second administration the aluminum trust, the telegraph and telephone companies, sixteen oil companies, three automobile manufacturers, and eight large film producers have been prosecuted by the Department of Justice for monopolistic practices. As a political manoeuvre this prosecution may be useful in carrying the work of educating public opinion a stage further; but whether its economic results are likely to be any more commensurate with the expenditure of public money which they involve than similar attempts on the part of previous governments, it is far more open to question. For the rest, Roosevelt's attempt to pass a strong measure able to put an end to the annual tragedy of lynching was frustrated by a disgraceful combination of northern Republicans and southern Democrats which ended by instituting a filibuster.* The Department of Agriculture succeeded in passing an Act designed to tighten up their control over the prices of agricultural products, thus obtaining a high degree of centralised control which, if suggested for industry, would have caused a revolution. But the markets for American foodstuffs remain so bad that the farmer has nobody to look to for a reasonable income

* A filibuster—i.e., interminably talking so that a measure can never be passed—is impossible if a two-thirds vote can be got in favour of applying a closure to the debate. The southern defenders of lynching relied therefore on support from northern manufacturers to make a closure impossible.

but Washington, and the fear of the rural vote silences reactionary politicians. However, during the bumper harvest of 1938 it proved so difficult to maintain prices for the continent that rural discontent transferred a large number of votes from the Democrats to the Republicans, in an act of blind revenge, during the elections of the autumn. No revision of the Social Security Act could be passed, despite the pressing need for it.

Finally, the legislative programme of the biennium included a further five measures of direct interest to the organised labour movement. Of these one was defeated, and by a means as disgraceful and anti-democratic as the filibuster. The Rules Committee of the House of Representatives, consisting of five southern Democrats in combination with four Republicans opposing five northern, progressive Democrats, has the function of arranging the order in which legislation shall come on to the floor for discussion. When it came to a Bill introduced by Senator Wagner and passed already by the Senate, for closing all bidding on government contracts to firms which had been found guilty by the N.L.R.B. of unfair labour practices—an obvious manner of backing up the action of the Board—the House Committee refused to release it for discussion, and there was no time to take a vote of the whole House forcing the Committee to put an end to this outrage. The remaining four measures which interested the unions were all passed through their pressure, one—the Hours and Wages Bill—being similarly held up by the Rules Committee of the House and having to be finally forced out by a vote of the House. The other three consisted of re-passing the Guffey Coal Act ¹ in a revised form; of liberalising the grants in aid available from Washington towards building low-cost houses, an Act which for the first time brought a popular housing programme within sight; and the Mercantile Marine Act. The latter, designed to deal with the bankrupt situation of many shipping companies, was an important victory for the maritime unions. During the hearings for the Bill, the shipowners, speaking through the mouth of Senator Copeland of the Senate Commerce Committee, and Ryan, conservative A.F. of L. leader ² of the eastern longshoremen, did their best to maintain that the C.I.O. sailors' union was full of dangerous and brutal saboteurs, and that

¹ *Vide supra*, p. 103.

² *Vide supra*, p. 240.

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its power should be broken by taking the hiring-halls out of its hands and putting them into the Government's. Strikes were to be suppressed by compulsory mediation. Bridges, the C.I.O. maritime leader on the Pacific coast, was denied a hearing in Washington; but the Secretary of Labor came to the rescue, together with Senator Thomas of the Senate Labor Committee, LaFollette's colleague,¹ and the Bill as passed into law guaranteed the unions their right to strike, their hiring-halls, and the freedom to avail themselves at their own will of a special mediation board. A provision for the buying of ships from foreign shipyards was also eliminated, in favour of the unionised yards of the U.S.A.²

SECTION III. COUNTER-ATTACK FROM THE RIGHT

The allies that were to be found in Washington for the labour movement and for popular forms of free expression in general, have now been outlined. It has also been shown that the majority of employers, when challenged by unions, have fallen into line, while some cities, tired of industrial conflict, have voluntarily set up mediating boards constituted half of industrialists, half of union leaders. The best known of these, in Toledo, Ohio, succeeded in settling disputes involving 23,372 workers during the first two and a half years of its functioning. But elsewhere there are business leaders who are prepared to spend their last dollar in defeating working-class aspirations,³ led by the determined trio of Ford, Rand, and Girdler.⁴ These men have outgrown the crude tactics of the Liberty League and the Republican Party, which came to grief in 1936,⁵ and have gone far towards evolving a strategy which may easily emerge triumphant. If so, owners of

¹ *Vide supra*, p. 259

² R. W. Bruere, a well-known lecturer on social topics and a welfare worker, was appointed chairman of the mediation board. One provision in the Act may prove detrimental to the unions—the setting up of training schemes for sailors under the auspices of the coast-guard service. It is probable that anti-union ideas will be instilled into the heads of men during their months of such training, and an effort to militarise them be made. The main object of the Act was to secure a mercantile marine fit for use by the navy during a war.

³ The Dollar Line is a literal example of this truth. It spent so much on fighting the C.I.O. on the Pacific coast, in 1937, that its balance sheet was in too bad a shape to qualify for a government subsidy in August, 1937.

⁴ *Vide supra*, pp. 276 ff.

⁵ *Vide supra*, pp. 257–58.

property and business enterprises in general now tolerating the unions empowered by the New Deal, will easily be swung behind the reactionaries. Defeat both for the forces of organised labour and for the New Deal should then be expected on political and economic fronts.

The form taken by this new type of reaction might be characterised as the systematic organisation of delay and deception. One example of delay has already been mentioned in the experience of the N.L.R.B. The latter has encountered its share of deception, too, usually intended for the benefit of the public and the courts so that they may be turned against the Board. Banks, for instance, began by claiming that they were "essentially an instrument of government"¹ and therefore exempt from the Board's jurisdiction. Attempts were made by the defence, during the spectacular Harlan trial,² to delay the case by pretending that a parade of the United Mine Workers near by was intended "to inflame feeling" and "obstruct justice." Working through the machinery of the law is natural when the object of a reactionary organisation is to put off the application of a statute they dislike. Legal men, for example, to whom pressure from employers has been applied, will often refuse to "notarise" a complaint for a trade union, lawyers who undertake to act for unions in court are threatened with disbarment. Another form taken by the same tactic is to invoke some disused statute, passed for an entirely different purpose, against union activity—one passed during war-time, e.g., against conspiracy or syndicalism.³ Sometimes a city will even pass an ordinance prohibiting labour organisation, or a State a law.⁴ Since the use of these statutes is sure to be condemned by the higher courts, their only purpose is to waste the funds of unions fighting them from Bench to Bench and to put off the evil day when rights must be granted. Should a union be on strike, an old and invalid statute may usefully be made to give a cloak of legality to the carrying out

¹ Declared by the Bank of Yorktown, New York, in November, 1937

² *Vide supra*, pp. 154 and 155.

³ A law of 1842 against conspiracy was invoked against C.I.O. organisers in Lewiston, Maine, in April, 1937. During the next month the Supreme Court ruled a similar use of the Oregon syndicalism law illegal and invalidated it. Yet, in July, 1938, the syndicalism law of Iowa was used against the C.I.O.

⁴ E.g. in Tupelo, Mississippi, and Birmingham, Alabama, in 1937. *Vide supra*, p. 242, for the new Oregon law.

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of widespread arrests by the police, rallying public opinion behind the employer who can count on a sympathetic Press, and breaking the strike so as to cripple the union local for the time being.¹

These same characteristics of evasion and propaganda have since 1936 been generalised nationally and on a grand scale. The plan was that anti-labour bodies can become far more effective if they keep in the background, and use senators or congressmen, especially if they are in Roosevelt's own party, as their spokesmen. In this way, propaganda appears to emanate not from some interested body like the Liberty League, composed blatantly of rich men, but from impartial representatives of the electorate. The use of Ryan and Copeland by the shipowners² during the hearings on the Maritime Commission was a piece of this strategy. It was further developed when, at the end of the Congressional session of 1938, a Committee was set up, under the chairmanship of Congressman Dies, with the object of investigating "un-American activities"—that is, the inroads now being made into the U.S.A. by Fascist propaganda and organisations from Europe. As soon as the Committee began to work, however, it became plain that it regarded its task as an antidote to the LaFollette Committee. If LaFollette had collected evidence of the unfair and brutal practices of employers, then Dies would elicit evidence of the Communism of labour leaders and New Dealers. The chief difference between the work of the two Committees was that whereas LaFollette carefully substantiated the truth of the evidence he committed to the record, Dies attempted no such thing, but made himself a sounding-board for the country's leading red-baiters, who came up to Washington with the most reckless and often ridiculous stories. However, Dies constituted himself a useful electioneering agent for the

¹ The simplest, and only sure, way to put an end to these practices is for organised labour in a locality to win control over the local law-enforcement agencies by using their votes at the polls. Thus, Mayor Shaw, of Los Angeles, elected by labour votes, vetoed, in January, 1938, an anti-picketing ordinance passed by the City Council. In June the City Attorney of Shelton, Connecticut, ruled illegal an ordinance prohibiting the distribution of handbills. In January, 1938, Police Commissioner Valentine of New York laid down rules by which junior police officers would be restrained from arresting pickets *en masse*, as they usually do at the behest of the aggrieved employer. But when, in 1937, the Governors of Connecticut, New Jersey, and Texas publicly announced that sit-down strikes would not be tolerated in their States, they invited employers to neglect no device that might be used against unions.

² *Vide supra*, p. 286

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Republican Party during the Federal elections of the autumn,¹ and added a new refinement to the old American custom of red-baiting. That this should have been executed with public money in the national Capitol shows the power, shrewdness, and contempt for democratic institutions which must be expected of the forces of reaction in America. It will be shown below how successfully this new strategy of the Republicans has been used to attack the New Deal since 1936 on a very broad front

None of this would be possible without the certainty that for the most part the organs of public opinion can be relied on to favour and publish whatever pleases the leaders of business. Before 1935,

“it was not in the tradition of American reporting to inform their readers about the issues of a labor dispute. . . . Such basic inquiry was left to small circulation weeklies. The great mass of the public drew its opinion on strikes from scare headlines and blow-to-blow descriptions of strike violence.”²

However, since the C.I.O. became front-page news and began to invade the ancient haunts of the open shop, both the N.L.R.B. and the C.I.O. itself have begun to take the Press seriously and hand out their version of events prepared in such a way that the reporter who came to write up a sensation has left with a clear analysis of the struggle as labour sees it. These efforts towards a better reporting of labour news have been backed up by the nature of the news itself—so spectacular of recent years that editors have begun for the first time to assign their best staff to concentrate on industrial relations.

“Many of these [trained men] have been led to probe below the exterior dramatics of strike stories into conscientious study of the complicated social dilemma involved in every labor dispute, however

¹ John Frey of the A F of L Executive was allowed to play the main part in daubing the C I O with red. His evidence was so shoddy that some of the names he accused turned out to be local officials of the A F of L, and in no way connected with the C I O. “Suspicion of Communism” was taken as evidence of it throughout. The N L R B was also convicted of Communism because many of its decisions upheld the C I O. But perhaps the lowest depths touched by the Committee were when a judge, financially interested in the automobile companies, complained that Governor Murphy of Michigan, who had done so much to settle trouble in his State, had actually encouraged sit-down strikes—a tactic identified by Frey with Moscow. The national Press made much of the Dies findings, and may have helped to defeat Murphy in the election.

² P. 50, *Second Annual Report of the N L R B*

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small. More so than at any other period, Sunday editions are carrying thoughtful reviews of the current labor situation."¹

Add to this the establishment of a strong newspapermen's union with wide social and political sympathies, and it becomes evident that the forces of organised labour now stand a better chance than ever before of building up an opinion throughout the middle classes favourable to their cause.

But there is another side to the picture. Fifty years ago an enterprising man could go into a country town in the U.S.A. and set up a newspaper on his own at a cost of 10*d.* per head of the population to be served. Today it would cost him over £2, since he would have to invest in type-setting machines, press, stereotyping equipment, and enough working capital to go into competition with an established rival which had already acquired considerable funds and powers of financial resistance. Technological economies made possible by new machinery, a larger staff, and an entirely new and enlarged market—namely, the demand of commercial advertisers for newspaper space—have converted the daily or the weekly in the U.S.A. from an organ fearlessly expressing the opinion of a small, independent owner to a large business enterprise dependent on regular income from its advertisers. These latter are composed partly of local enterprises who might withdraw their custom if the paper refused to print the propaganda and stories circulated by them in times of labour trouble, or if it found space for corresponding emanations from the other side. But increasingly the advertising copy for the whole country is derived from nation-wide agencies which prove not only the source of strong pressure on editorial policy in times of crisis, but exercise a day-to-day influence the more sinister because it works quietly. It is precisely these same agencies that handle the publicity for the Republican Party, for bodies like the Dies Committee, and manage their public relations for powerful companies such as Ford's, Rand's, and Girdler's to the extent of directing political campaigns like that on the Pacific Coast, which in 1938 got enacted the Oregon anti-labour measure.² The suc-

¹ P. 50, *Second Annual Report of the N.L.R.B.*

² *Vide supra*, p. 242. See the *C.I.O. News* of October 1, 1938, p. 8 for the passage of an anti-picketing ordinance in Los Angeles after a special campaign, financed by a committee of business men, and managed by advertisers. Such ordinances, of course, are direct contraventions of the N.L.R. Act. See *Nation*, September 3, 1938, for the *Chattanooga Free Press* bought by the advertising revenue offered by the Commonwealth and Southern utility coy.

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cess of such campaigns, managed by publicity experts and financed by powerful companies, has been proved over and over again in the field of public utility enterprises where private companies have from time to time to withstand the advocates of public service. The larger and more influential the newspaper, the less it can risk the displeasure of the advertising agency.

From the side of the customer, then, a steady bias is exerted on the expression of opinion and events which reaches the eye of the average reader. No less important is the revolution which has been worked in the personal attitude of the editor to his organ. He no longer feels a professional pride or recognises a professional code; he is now forced by the nature of his balance sheet to take a commercial view which equates him with the manager of any business enterprise. From the days when the N.R.A. tried to impose an effective code on the newspapers, and thereby to reduce the child-labour of their circulation departments, they have taken an almost uniform attitude of hostility towards the New Deal. They expected preferential treatment, and accuse the Government of striking at the freedom of the Press; and since 1936, when the Newspapermen's Guild began to demand collective contracts from editors, they have formed a united front behind the Scripps-Howard publications and levelled the same unjust accusations against the union as against the Government. Although therefore the American Press remains one of the freest in the world, its unavoidable commercialism has betrayed it into some unworthy acts. The hysteria displayed during the election of Roosevelt in 1936 has been continued in opposition to his policies. The President's Bill to reorganise the civil service, for example, was never alluded to in the *Chicago Daily News* except under the title of "the dictator bill." That the Press which had praised the report on which the Bill was based when it had been issued some months previously, should choose to fight the President for more than a year on one of the falsest issues ever raised in American politics—that a harmless and much-needed reorganisation of governmental bureaus was an infringement of the Constitution and of American liberties—is an unforgettable proof of its stupid subservience to anti-administration interests.

Less spectacular but no less important has been the similar be-

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haviour of the Press about local issues. Many of the facts unearthed by the LaFollette Committee, such as the numbers killed in Chicago, Massillon, and elsewhere by Girdler and his associates during the steel strike of 1937, met a conspiracy of silence on the part of the Press. When the League of Women Shoppers, a pro-labour body, set up a new branch in Chicago during December, 1937, they were unable to procure the insertion of advertisements or reports in the organs of that city. Elsewhere, when some editor shows unusual independence, so eager are companies during labour struggles to prevent public opinion from being informed not only of the true facts of the situation, but even of what is going on, that they will seek injunctions to keep out reporters or close the columns of newspapers. On the other hand, by more positive action the Press continually misleads the public in no uncertain manner. During the strike of the teamsters in New Orleans in August, 1938, the employers and the chief of the local police saw to it that the struggle should be uniformly reported as a "dispute between two unions." Most significant of all is the power wielded by the Press to persuade the middle classes that various bodies with the names of civic organisations, but virtually the hirelings of anti-union companies, are bona fide representatives of the public. This method is by far the most persuasive so far found by employers to disarm the public opinion which may be sympathetic at least to fair play in labour relations. No doubt many voters in Oregon were influenced to favour the anti-union measure referred to above by reading in their newspapers day after day that the farmers of the State were praying that it might pass. Questionnaires circulated by the local Grange,* however, revealed a very different state of opinion among the agricultural population. During July, 1937, thirty newspapers in twenty-two cities published a full-page communication from a Citizens National Committee urging the "right to work" of employees discontented with strikes, in opposition to the "right to a job" claimed by unions and upheld by the N.L.R.B. Here was a subtle method by which business hoped to build up a public opinion favourable to the strike-breaker. On the Pacific coast the Chambers of Commerce have recently taken to hiding behind skirts, and organisations like Women of the Pacific find wide

* The Grange is an organisation of small farmers. See *Nation*, October 29, 1938.

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publicity for the views of the Chambers. Similarly, in New Jersey the S.O.S. (Save Our American System), described by the *New York Times* as "an organization of non-partisan women," "fights" the New Deal.¹

Until about the time of the steel strike which took place during the summer of 1937, the C.I.O. had a surprisingly favourable Press. But since then they have tended to receive much the same welcome as the New Deal. It is significant that the steel strike was largely won for the employers by manipulation of public opinion, and was directed by Girdler, one of the small band of die-hards. The tone of the Press since then tends to show that the Girdlerites have grown in influence among American employers, and have certainly won over the majority of the Press. Publicity methods must therefore be expected to figure increasingly as a weapon in labour struggles. The bitterness of delegate after delegate at the C.I.O. Convention of 1938 when the Press came up for mention was most marked, and since the unionist, and indeed the New Dealer, can expect little fair play from the ordinary commercial Press, his only hope is to build up a national newspaper of his own. The Administration can help in this as in other matters. During the autumn of 1937 William Randolph Hearst, most powerful and most unscrupulous of all America's lords of the Press, was unable to secure the necessary approval of the Securities Exchange Commission for a new issue of securities. This blow will in all probability put an end to Hearst's management of the great chain of dailies which were already suffering from a declining circulation, thereby terminating a notable source of red-baiting and anti-labour propaganda.²

1 See *New York Times*, "special" from Plainfield, New Jersey, dated June 18, 1938

2 There are some 685 radio stations in the U.S.A., but three networks play a preponderating part in influencing the radio-listener, because their stations alone are powerful. Of these the National Broadcasting Company and the Columbia Broadcasting System are closely connected through the personnel of their directors, and the first is a wholly owned subsidiary of the Radio Corporation of America. Their commercial connections are therefore obvious. See an article in *Nation* of April 17, 1937, by Ruth Brundze. The *Report of the American Civil Liberties Union* for 1938, p. 55, reports that "the networks do not sell time to labor unions in order not to be drawn into industrial strife, nor do they, it is true, sell time to employers' associations. But the inequity is plain, for employers are able to get across their propaganda on commercial programs." Such is the comment of a reliable and impartial body. Unions, however, tend more and more to broadcast from small stations, especially to direct strikes. They occasionally own their own stations.

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If obfuscation of issues through a dominated Press is one method, the employer can count on others, especially at moments of crisis, to influence public opinion in his favour in a given area. The whole strategy was worked out by Rand in detail for application during a strike, and communicated during 1936 to employers throughout the country by the agency of the National Association of Manufacturers (N.A.M.) A summary of the nine points of the "Mohawk Valley Formula," as it is called from the location of one of Rand's plants, runs as follows :

(1) When a strike is threatening, leaders should be discredited in the eyes of their union membership and the local public by dubbing them "agitators," holding a fake election of employees in the plant and announcing that only a minority is favourable towards striking, and using the Press, advertisements, and social workers or parsons to disseminate the employer's views and confuse the issue, hiding the fact that collective bargaining is being refused. At the same time, all forms of economic pressure must be exerted on the local community, *e.g.*, by threatening to move the plant, thus causing unemployment, loss of trade, and reduction in land and other investment values. A Citizens' Committee must be formed to spread the employer's opinions as if coming from the community.

(2) When the strike is called, use all organs of publicity to emphasise that law and order are at stake. Draw up the local police as if against expected violence from the strikers, in order to encourage local hysteria.

(3) Let the Citizens' Committee call mass meetings to consolidate opinion against the strikers. The local authorities will thus be encouraged to give unhampered aid to vigilante activities.

(4) Form larger armed forces with State police and imported thugs. These can be used to intimidate the strikers and spread the atmosphere of hysteria.

(5) Create a dummy organisation, ostensibly formed of employees of the plant who wish to return to work. Let it visit the homes of strikers and other employees, both to break their morale and collect information about the genuine union and its plans. Such a body will serve also to disseminate the impression among the middle classes that the majority of the community is against the strike, and later

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can act as strike-breakers to displace union men. The "back-to-work" movement should appear to conduct its own publicity campaign.

(6) Fix a date for reopening the plant by request from the same body, and make the occasion one for an overwhelming display of armed forces. The number of genuine employees ready to return to work is thus discovered, the morale of others weakened, and even if the reopening proves to be a failure, properly managed newsreels and publicity can convey an opposite impression to the public and strengthen the prestige of the company.

(7) The opening ceremony should be well staged, with crowds and speeches. The local middle classes should be praised, so that they will be flattered into redoubling efforts to persuade strikers to return.

(8) Press on the demoralisation of the strikers, and if necessary turn the whole community into an armed camp, getting martial law declared and cutting it off from the outside world from which may come influences to strengthen the strikers and defeat the publicity campaign.

(9) By this time, the strikers should be demoralised, and only a small minority left outside the gates of the plant. This stage in the drama will prove that the propaganda accusing the strikers of being a minority movement has apparently been true.*

Rand himself successfully applied his formula in the spring of 1936, when a strike was brewing in the six plants of the Remington-Rand Company. First, the community of Ilion, New York, heard rumours that the Rand factory was about to move to Elmira, but nobody was able to obtain definite information on this crucial subject, despite the fact that two months previously notice of the purchase of a factory in Elmira had been reported to the Securities Exchange Commission. Rand consistently refused to negotiate with the union, and only issued percentage votes of those who had taken part in a poll about striking, conducted under threats by the plant managers. The business men and their dependants of Ilion, a town which, together with the neighbouring villages of Herkimer,

* Release to the Press, dated March 15, 1937, by the N L R B gives a full text of the now notorious Formula, and describes the strike

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Mohawk, and Frankfort depends mainly for employment on the Remington Rand works and that of the allied Remington Arms, were easily persuaded by Rand's tactics, notably a sign, "for sale," on the factory, to fall in with his wishes and welcome the arrival of armed guards from outside detective agencies. The Governor of the State refused the use of State police, but the local sheriff consented to the enrolment of deputies and purchase of gas and ammunition, while the Mayor of Ilion was forced against his will, by threats of ruin from the local business men, to hand over the police and the town to Rand's orders. The community was finally turned into a military encampment, and the union was informed by the chief of police that the lieutenant-governor of the State had ordered it so. All went according to the plans of the Formula. So, too, in Rand's other factories with but slight variations—at Tonawanda, New York, for example, strike-breakers were used to create a mock riot among themselves so that a film could be taken and exhibited as "strikers using sticks and throwing stones."

Rand broke the strike despite the patient resistance of the union in which five-sixths of his employees were already enrolled. His Press campaign of obfuscation was particularly effective—daily the newspapers told that the strike had been settled, and daily the local organs in each strike-bound community threatened the removal of the factory, while the national Press was informed that Rand had unintentionally omitted to mention that only a third of each plant was about to be closed. The same formula was applied with success by Girdler in the 1937 steel strike of the C.I.O.,* and has almost become a commonplace whenever labour discontent breaks into the open and meets resistance.

Many of the larger American corporations, like the U.S. Steel and General Electric, once violently open-shop, have apparently become reconciled to a new age when unionism must be regarded as legal and acceptable. But a small number of Middle-Western employers, self-made men of the most resolute type, evidently believe that the maintenance of mass-purchasing power by the

* The LaFollette Committee established a concert of policy between the five companies concerned. Girdler is also influential in Akron, seat of rubber manufacture and of bitter enmity against unions.

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unions, the co-operation of a contented body of employees, and a good reputation for fair dealing among the public are not worth so much as the prestige that can be gained from refusing all dealings with unions, and the ultimate hope of converting the Federal and State governments to a policy of industrial *laissez-faire*. It is not that these men save much on their wages bill. Henry Ford, for example, has always claimed to pay his men better than any other American employer. Elsewhere, when an industry is about 50% unionised, the open-shop remainder has more or less to follow closely the developments in wages policy of the unionised fraction, in order to stave off the entry of the union organiser. For many decades, for instance, the printing industry has been, apart from newspaper work, about 60% unionised, while 40% belonged to a strongly open-shop employers' association. The enterprises of the latter had, before the N.R.A., kept their terms of employment at about four hours a week longer; and the pay of their skilled labour at about 5% less, than the rest. What the unions have always wanted first from such employers' associations is recognition, and then the right to improve their working conditions, or at any rate to negotiate about grievances with the management. It is the coming to terms on an equality with their employees which irks men like Rand and Girdler,¹ since in the conditions of highly monopolistic competition obtaining in their trades, a possible small raising of average unit costs by unions would make little difference to their profits.²

Unfortunately, however, the non-economic motives of these few die-hards create an unduly wide effect, because there are well-marked channels through which they can influence the rest of employers. The N.A.M., for example, contains some 10,000 member companies, whose policy was discovered by the LaFollette Committee to be influenced through the N.A.M. itself by a minority of some 207 corporations. These latter are directed by officers whose aggregate salaries for 1936 amounted to 88,750,000 dollars, and who purchased 60% of all the tear gas sold to industrial con-

1. *Vide supra*, pp. 37 and 38 for the endemic nature of this attitude in the U.S.A. It is akin to the attitude of the owning classes of the South.

2. Unions frequently, of course, reduce costs by eliminating stoppages and the expense of industrial trouble, espionage, etc., and by ensuring the willing co-operation of the staff.

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cerns between the years 1933 and 1938, and managed, among others, fifty-five companies which between them paid 2½ million dollars during those same years for the services of spies and thugs. Dominated by such men, the N.A.M. in 1936 sent out an Industrial Press Service reaching 5,300 newspapers weekly, a cartoon service reaching 2,000, a comic cartoon read by 2 million readers, daily articles by economists putting the point of view of business and read by 4,500 thousand readers ("You and Your Nation's Affairs"), a monthly factual bulletin, national advertisements about the "American System," weekly broadcasts, moving pictures, speakers for public meetings, pamphlets, etc. The influence over Congress of the lobby maintained by the N.A.M. in Washington has been profound throughout American history. The possibility of perpetuating the open-shop system, the use of the injunction against unions, and the black list, have been due to this lobby, and it functioned against Roosevelt during his second administration.

Connected with the N.A.M. and largely following its lead, are a manifold host of employers' associations, some national, some State-wide, some confined to individual cities. It was true to say in 1932 that while industrial labour in the U.S.A. was about 10% organised into unions, employers were about 90% organised into associations and correspondingly prepared to act together and draw widespread help in their resistance to collective action by labour. How closely the network of these associations is bound together has already been indicated from the rubber companies of Akron.¹ It was undoubtedly through the medium of these associations that the open-shop drive, inaugurated about the beginning of the century by the U.S. Steel Corporation, was spread so effectively through American industry. Since U.S. Steel has so long been dominant in the N.A.M., it was not surprising that the various associations in the metal trades² have displayed the most outstanding determination to stamp out the union, mainly by use of the black list and organised violence. This network of employers' groups remains today for the die-hard associates of Girdler to use for their own

¹ *Vide supra*, p. 260

² The main ones were the National Founders' Association, the National Erectors' Association, the National Stove Manufacturers' Association, and the National Metal Trades Association.

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purposes. The same group has already been mentioned as dominant in the Convention of the Republican Party in 1936¹

The LaFollette Committee established the existence of a Special Conference Committee composed of executives of the American Telephone and Telegraph, Bethlehem Steel, DuPont, General Electric, General Motors, Goodyear Rubber, International Harvester, Irving Trust, Standard Oil of New Jersey, U.S. Rubber, U.S. Steel, and Westinghouse Electric companies, which used to meet in regular consultation during 1933 and 1934 in order to carry through a plan for forestalling the unionisation of American industry by forcing employees into company "unions."² As the wealth of the country³ and control over its economic life become increasingly concentrated, it is made the easier for the heads of the leading corporations to concert a policy and force it upon other employers and on all their dependants who have not been attracted into an opposite camp. Such dependants range from communities whose employment and trade are given by their companies or those of their friends and followers, to all the members of that huge middle class which is confused and frightened by modern social and economic developments⁴ Much pressure can be applied through purely social channels—the threat of sending dissident members to Coventry in the Country Club or their children to Coventry in the private school. Such methods can be employed with greater effect as an "upper class" of exclusive families begins to form, into whose circles it is the ambition of others to rise.⁵

That control over middle-class opinion through the Press and other agencies should be used by combinations of employers to suppress the activity of unions and the exercise of civil rights, is no new thing in the U.S.A. But the fact that this control has since 1932 met with serious opposition for the first time, has been taken by some to argue that methods, so far used for the most part only sporadically and in times of crisis, will henceforth be consolidated into a close and permanent policy. In other words, it is held

¹ *Vide supra*, p. 88

² *Vide supra*, pp. 174 ff. for the success of the company union

³ *Vide supra*, p. 199.

⁴ *Vide supra*, pp. 81 and 82

⁵ Membership of the Country Club represents the pinnacle of social ambition in most American communities. Henry Ford used to be cold-shouldered in his Club for paying too high wages

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that the employers' associations will build up a mentality and organisation throughout the country on the model of European Fascism

The first step in this direction would naturally be to put on a permanent footing the bogus union and the bogus citizen committee, in order to make the activity of genuine unions difficult. Accordingly, towards the end of July, 1937, was announced the formation of an Independent Federation of Independent Unions, which was expected to attain a membership of a million by the end of the year. Nothing more was heard of it, however, so that in the following March two new bodies appeared—the National Federated Independent Union, and the National Federation of Labor. Los Angeles also possesses its own League of Independent Unions, organised with the help of company unions that had been granted A F. of L. charters. On the other hand, the back-to-work organisation, which was created in Johnstown during the bitter steel strike, decided to blossom out into a permanent National Citizens' Committee for the perpetuation and encouragement of vigilantism and lynch law. Finally, at the end of 1938 the Associated Farmers of California, an organisation which, despite its name, represents commercial interests and city bankers, announced that it would soon found a national society to which all farmers would be encouraged to belong.¹ No doubt the founders of these latter groups intended to use them not only against the unions, but also against the Government, as similar *ad hoc* groups have already been used by the public utility companies to spread feeling against the Tennessee Valley Authority and the Government's Rural Electrification Administration. With the La-Follette Committee and the N.L.R.B. still making active inquiries and *exposés*, however, the above developments have stood little chance, and they will continue to stand little so long as the truth can be put before the people.²

But it cannot be denied that some important elements are present

¹ *Vide supra*, p. 58

² The reports in the *New York Times* during the defeat of a C.I.O. union at Hershey, Pennsylvania, by a "voluntary gathering of indignant Mennonite farmers," made it fairly clear that these "farmers," who appeared ready armed and dispersed so rapidly that they could not be identified afterwards, must have had practice in dealing with strikers before. See the issue of April 11, 1937. It has become generally known, also, that many of the "civic leaders and groups" in whose name back-to-work movements and publicity are launched by companies during strikes, are largely fictitious or innocent of the use of their names for such a purpose.

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in the U S A. today which were at the root of Fascism in Europe, and that they are awaiting their opportunity. Nazi organisations have sprung up among the American-German population, declaring the C.I.O. to be Communistic and forbidding their members to join unions, and doing their best to stir up anti-Jewish feeling. They have not infrequently broken the law, nor have they hesitated to make brutal physical attacks on their opponents.¹ That the campaign to connect the C I.O with Communism and the Jews has had some response, and may have more yet, was shown by speeches and publications during the elections of 1938² As soon as the unions began to penetrate into the South on the validation of the N L R. Act, they were declared un-Christian from innumerable pulpits Even attempts to implement pro-labour laws, such as minimum-wage legislation in Oklahoma City, have been condemned as Communistic and sinful by parsons directed by local business. In California's agricultural districts Italian Fascists have been known to organise attacks on strikers, while the Silver Shirts, also emanating from the Pacific coast and closely imitating the habits of Fascisti, claim to have received subscriptions from many manufacturers, including Girdler, and are linked up with the Nazi organisations. During the steel strike of 1937 a number of men, women, and children, parading quite harmlessly in South Chicago near a plant of Girdler's company, were shot and killed by police, evidently by request of that steelmaster who sent a telegram of congratulations to the Mayor on the exploit. A film taken of the proceedings by one of the large newsreel companies was suppressed, and a jury packed with ex-service men acquitted the police on grounds of "justifiable homicide." Speaking of the Silver Shirts and other permanent vigilante organisations like the Ku Klux Klan, an expert source stated in 1934 "They make their appeal primarily to the man out of work and especially to the ex-service man."³ Since the debut of the C.I.O, the Klan has been reviving

¹ Charles Weiss, a cripple and editor of an anti-Nazi magazine, was beaten by Nazis during 1938, and statutes of New York were otherwise violated by them See *Nation* of April 30, 1938 and July 23 New York State instituted a legislative inquiry into the matter

² The following song was heard in the U S A at that time-

"Heigh-ho, heigh-ho! We've joined the C I O

We've paid our dues to the goddam Jews, Heigh-ho, heigh-ho!"

³ *Report of the California Department of the Disabled American Veterans*, quoted in the *Nation* of May 21, 1938, p 587

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its outrages against union organisers and their sympathisers in the South, while a branch of the Klan, known as the Black Legion, exists in Michigan, and worked to defeat the New Deal Governor during the elections of 1938¹

In short, the nuclei of organised Fascism exist in the U.S.A. and are not inactive. That soil of permanent unemployment and a confused middle class which has both inherited a tradition of violence and learned to indulge it during the War and afterwards—the soil from which Mussolini and Hitler sprang—exists and will remain in the U.S.A. The transition from frontier violence to organised repression, especially since the proportion of the American population used to living by illegal and violent means far outweighs the proportions of pre-Fascist Italy and Germany, would seem perilously easy. Already something of a regional Fascism, with corrupt police and subservient courts, exists under the regimes of men like Mayor Hague of New Jersey and in many a territory of the South. It is easy to imagine a Republican government after 1940 cutting down the activities of those New Deal agencies which have empowered the unions, undercutting union rates in government contracts let out to firms now unionised, setting up official agencies in various trades, and insisting that the employees then become civil servants and consequently unable to bargain collectively or strike,² and having quietly undermined the labour movement, support an open-shop drive on the part of employers and vigilantes, and effect a general suppression of liberties.

It is impossible to deny that these apprehensions are well founded. However, unless the movement of affairs outside the U.S.A. interferes unduly with the natural evolution of internal forces, it would be quite sufficient, for the purpose of suppressing organised labour, merely to set the clock back to 1930; if unions can be eliminated by sporadic use of force, why institute anything as elabor-

¹ There was a scandal when, in 1936, the murder of an unemployed man in Michigan was traced to the Black Legion, and the organisation was connected with the great automobile companies during the investigations which followed. The drab life of men worn out during their working hours by the excessive speed-up of these companies, together with the evil politics of the backward State, reproduced the conditions which in the South have nourished the Klan. A large proportion of workers in the Detroit area, moreover, are migrants from the South.

² As the unions now accuse the Maritime Commission of attempting—it is said to take over unionised ships and hand them back to private owners un-unionised.

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ate, as European Fascism in a country whose traditions of decentralisation and regionalism are so strongly averse to it? What might none the less push the forces of American reaction to these extremes, however naturally repugnant, would be a labour movement strong and militant enough to enforce changes in the direction of Socialism. But there is no immediate likelihood of such developments, and in the meanwhile it is open to the forces of labour to remove the conditions of Fascism before they can be put to any sinister use. Unemployment is a problem that can only be solved by political action, and must therefore await the birth in the U.S.A. of strong labour action at the polls. But there is nothing to hinder the unions from converting the leaderless confusion of the middle classes into active sympathy with a labour movement.

It has already been shown that America's economic collapse after 1929 affected the outlook of the middle classes much as it did that of the labouring masses, by interesting them for the first time in collective economic action.¹ At the same time, absence of traditional class stratification leaves the white-collar employee and his family far more open to appeals from organised labour than could possibly be expected anywhere in Europe. That the universities began to interest themselves in the labour movement has already been mentioned,² and there is plenty of evidence to show that during the last few years the white-collar worker has not been rallied to the leadership of business once more,³ but has rather broken farther away from traditional attitudes of individualism. Strikes which have affected personally the middle-class public, have tended to meet with unexampled sympathy. The strike in 1936 of the New York elevator operators, causing great inconvenience to the public, none the less enlisted so much popular feeling that in many places tenants of flats formed organisations to help the strikers, refused to pay rent, and forced strike-breakers to decamp, so that a

¹ *Vide supra*, pp. 81 and 82.

² *Vide supra*, p. 85

³ The campaign of business leaders, headed by Wall Street, against Roosevelt as soon as the business depression made itself felt in 1937, followed by the scandal connected with Richard Whitney on the Stock Exchange itself, has (to quote the *Financial Times* of April 7, 1938) "severely shaken the confidence of the American public . . . one New York firm of brokers has had the undignified experience of some 300 clients withdrawing their securities from its keeping" Unable to offer any constructive suggestions to cure unemployment or depressions, and evidently unrepentant of "unethical" practices, the leaders of business have had small chance to recover public leadership

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strike which had begun with almost no union organisation ended by extracting signed contracts from about 500 landlords in the teeth of an association which spared no expense and determination to stamp out the strike. The Newspaper Guild, again, has fought many a strike against stubborn newspaper owners, not infrequently Hearst himself, and much interfered with newspaper circulations. But the Guild's success in enlisting not only the help of C.I.O. and A.F. of L. unions in the picket line and in boycotting the organs of stiff-necked employers, but also in persuading certain local advertisers not to patronise such organs, and in keeping the sympathy of a public robbed of its meal-time reading, has been outstanding. Here is a remarkable instance of a white-collar and semi-professional body of men taking enthusiastically and effectively to labour-union action. The decline in Hearst's circulation is in itself a sign that old-fashioned anti-labour rant has become nauseating to the public.*

Towards the end of 1937 an interesting debate took place in the annual convention of the National Society of Professional Engineers. One group urged that the N.L.R. Act should be amended to exempt professional men from being represented by any non-professional organisation (*i.e.*, trade union) for purposes of collective bargaining, and contended that they should not class themselves with a "trades' organisation" by functioning as a genuine union. Another group, however, declared that engineers had in many parts obtained, through unions, contracts which improved their conditions of employment by companies, raised their wages, and lowered their hours of work. Here is the dilemma that has faced every category of professional or semi-professional worker in the U.S.A. Shall he cling to a status which refuses to identify itself with the factory-worker, or shall he recognise that his employment and income are coming increasingly to depend on the same forces and persons as the manual worker's? In a surprising number of directions the decision in America has been to follow the path of realism. The C.I.O. has a union for architects and engineers whose organisers, *e.g.*, in the shipyards, experience no different treatment at the hands of employers and police because they do not work with their hands from that commonly met with by any

* *Vide supra*, p. 294.

metal-trades union ¹ Hollywood, famed for its extreme individualism and exceptional inequalities of income, has built up in the last three years among screen actors one of America's strongest unions, won a closed shop, and gone a long way towards improving the deplorable conditions of employment which used to haunt 95% of the artists. This achievement has only been accomplished by the highly paid stars' throwing in their lot with the poorest supers, and today the sense of solidarity with the working-class movement as a whole which is displayed by members of the Screen Actors' Guild is remarkable. They are very often to be found, for example, in the picket lines belonging to all sorts of unions in Los Angeles. The Newspapermen's Guild, also, has gone from strength to strength, having raised its membership from 11,000 to 16,000 during the year June 1937-38, and obtained seventy-seven signed contracts. Even the conservative and aristocratic profession of the law has broken away from the control of the Bar associations and their close identification with business policy and dominance by the successful corporation lawyer.² In February of 1937 the National Lawyers' Guild held its first convention, composed of men who resented the onslaught of the Bar associations and the Liberty League on the N.L.R. Act, and who recognised the rights of a labour movement and the obligations of the legal profession towards it. During a year the Guild augmented its numbers to 1,400, and chose the well-known Justice Pecora of New York as its president. While the American Bar Association was, during October 1937, scandalously condemning the nomination of Senator Black to the Supreme Court because conservatives feared his liberalism, the Guild was re-drafting weak labour laws, and planning how to outlaw the industrial spy and the professional strike-breaker.

As it began to establish itself, the C.I.O. showed increasing concern for the need to win over to sympathy with the ideals of a labour movement not only the middle classes, but also the farmers, a group which can normally be persuaded without much difficulty that its interests are injured by trade-union action. At its convention in the autumn of 1938 the C.I.O. went out of its way to

¹ Indeed, during June, 1938, the technicians' union organisers were being arrested for distributing union handbills

² *Vide supra*, pp 32-33 for the traditional character of the legal profession *Vide supra* also, p 288, for the attacks of the Bar on pro-labour lawyers

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emphasise that industrial peace and the keeping of collective contracts were its ambition, and that where employers had granted such contracts, they had been loyally kept. It undertook to work for an extension of the Social Security Act to white-collar workers in offices and equally to farmers. Already the agitation set afoot by C.I.O. unions to organise and win support for local schemes of cheap housing has attracted many middle-class groups to co-operate. Here and there bodies have begun to make their appearance pledged to protect civil liberties militantly, and composed of trade unionists, churchmen, and well-to-do liberals¹ or university people. Even the ex-service men's organisations, which have in the past proved strike-breakers *par excellence*, began to revise their tactics when, towards the end of 1936, the national commander of the influential American Legion declared that any continuance of these old habits will "not only do immeasurable harm to the Legion but will undermine the faith of the people in the Legion and in our democratic form of government."²

Recent events have shown that it may not be easy to stampede the American public as a whole into sacrificing its democratic liberties. If a law was passed in November, 1938, severely hampering union freedom in Oregon,³ similar measures were defeated in California and Washington States. On many occasions application of the Mohawk Valley Formula has gone astray, either because the N.L.R.B. has stepped in to protect the union⁴ or because local feeling could be mobilised in favour of the workers.⁵ The reports of the American Civil Liberties Union have since 1935 shown a steady improvement in affairs, particularly in the direction of fewer arrested strikers, fewer anti-picketing decisions from the

¹ Such as the National Citizens' Committee for Civil Rights in the Automobile Industry, Detroit, February, 1937, the California Committee of 100 for Political Unity, November, 1937, the American Association of Economic Freedom, December, 1937

² Article in the *National Legionnaire* of November, 1936

³ The law prohibits strikes or picketing except when a union has a majority of a company's employees in a direct dispute over wages, hours, and working conditions, it enforces publication of union funds. The organising of new unions is thus much hampered, and all union activity held up. *Vide supra*, p. 242

⁴ *E.g.* the Board held an election to clear up the situation in Westwood, California, where strikers had been driven out of the town by vigilantes

⁵ The success of the United Rubber Workers' strike in Akron at the beginning of 1936 was largely due to the formation by the employers of a Law and Order League, exposed by two local newspapers.

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courts, and an almost complete disappearance of the injunction as a weapon against unions. Since the short-lived violence of the 1937 steel strike, nearly all injuries during labour conflicts have occurred in unusually backward or isolated communities, and on the whole the conduct of industrial relations has run smoothly.*

SECTION IV. THE NEW LABOUR MOVEMENT

The forces both for and against a labour movement in the U.S.A. have now been analysed. What use has been made of them and of the sentiment in favour of organisation during the last two years, and how do matters stand today? In Sections II and III of Chapter 4 it was shown how the main initiative in exploiting new opportunities has of recent years passed to the C.I.O., and attention will be concentrated on that group of unions in what follows. For all that, however, it must be realised that the A.F. of L. group has made full use of a favourable Government and a favourable popular sentiment to strengthen its own ranks, which, moreover, have also been thrown open to the semi-skilled. But the fact that the A.F. of L. has confined itself in the main to traditional organising strategy, and has not, like the C.I.O., developed on a large scale a technique of handling unskilled masses militantly from the centre, and the fact that, apart from combating the C.I.O., job control, irrespective of the further ramifications of a labour movement, still appears to be the main concern of the Executive Council of the Federation—such considerations suggest that the older group has been rather the passive beneficiary of a situation in which the Government and the C.I.O. have been the active partners than a candidate for leadership either in the present or the future.

During the years of heroic campaigning, 1936 and 1937, the C.I.O. displayed a structure even more decentralised than that of the A.F. of L. It appeared to be a federation of absolutely independent unions which had for the time being set up a temporary Committee. New local unions, organised either by the Committee's staff or by staffs of the independent affiliates, were related

* Between June, 1937, and June, 1938, according to the Report of the Civil Liberties Union, twenty-four strikers were killed, 490 injured. A poll taken by the American Institute of Public Opinion in August, 1937, showed 76% opposed to vigilante and "citizen groups" action during labour trouble.

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to the C.I.O. just like "federal unions" to the A.F. of L. Executive.¹ The Committee's financing, however, is the first sign that formal decentralisation belied what was in substance a body voluntarily subordinating itself to a strong centre of direction and control. The Committee, as distinguished from its affiliated unions, possessed a corps of over 450 professional organisers,² and, in addition to paying all their salaries, it found the means to conduct large-scale strikes among many thousands of men and women in the rubber, automobile, steel, silk, shipping, and fur industries. Just as the coal-miners' union, with its close on half a million members, was the leading spirit in forming the C.I.O. with the main object of opening American metallurgy and its allied industries to unionism, and thereby protecting the flanks of the miners themselves, so John Lewis, their president, and his men have been the main financiers of the C.I.O. They are able to assume this burden both because of their numbers and because their organisation, always strong, was assured of a period of peaceful collective bargaining under the Rooseveltian legislation for the coal industry. No detailed accounts have yet been published, but out of the Committee's total receipts³ for three years of some 3½ million dollars, over 2 millions were represented by loans from the United Mine Workers. Their advances during the second half of 1937—during the period of the disastrous steel strike—exceeded the total of dues collected by the union during those months, but since then the expenses of the Committee have been reduced during the lull in organising activity, while the newer unions have been augmenting their own resources, so that loans have been rendered no longer necessary.⁴ Much of the success of the C.I.O. has been due to its readiness to take risks and see a reduction in its aggregate income in the short run, contrary to the usual practice among "business"

1 *Vide supra*, pp 180 and 191

2 Even during the months of business depression during the winter of 1937 onwards the C.I.O. retained over 200 full-time organisers, more than the A.F. of L. as such ever possessed except during its 1937 campaign against the C.I.O.

3 This figure comes out of a report delivered to the November, 1938, Convention of C.I.O. delegates. Receipts exceeded expenditure for the preceding three years by 29,430 dollars

4 A special levy of 2 dollars per head in March, and of one in December, 1938, was held in the miners' union. As early as the period December, 1937, to April, 1938, all but five of the thirty-nine national and international unions affiliated with the C.I.O. were working without subsidy from the central treasury.

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unions, which aim first at increasing their dues-paying membership and their treasuries. By its ability to draw on generous loans and expenditures from its original eight unions, the Committee has been able to extend the benefits of unionisation to the eager, but comparatively poor, masses of the semi- and non-skilled without insisting on the fatal policy of making the new unions pay as they go during the early days of disproportionately high expense. Armed with adequate funds, over which it had full disposition,* the Committee has been able to carry through powerful campaigns on a wide front, sufficient for the first time to challenge the open shop in its strongest entrenchments.

Another sign that, in contrast to the A.F. of L., the newer group is armed with an effective central intelligence and will can be found in the powers of inquiry and interference which the Committee has been able to exercise when trouble has beset any of its constituent organisations. So far no instance has come to light of jurisdictional disputes poisoning the relations between C.I.O. constituents or hindering their activities. Most of the difficulties that have come to the surface have been within a union itself, and have sprung from inexperience in matters of compromise among young men who have shown brilliance and resolution in organising and leading their fellows, but lack training in nursing a raw but democratic aggregate of some thousands of workers, contrasted in origin and anything but unanimous in their opinions. Such difficulties were bound to crop up where both leaders and rank and file had no previous knowledge or habit of unionism. The attitude of the Communist Party of America has made matters worse; for although its organisers have, with their enthusiasm, fortitude, and experience of the unskilled worker, been invaluable to the new unions and welcomed by the C.I.O., yet their intolerance of minority opinion, subordination to a "party line" rather than desire to work out problems on the spot, and their refusal to place the welfare of a union as a whole before their private quarrels with such factions as Trotskyites, have sometimes threatened a serious breach and diverted the energies of organisations from their true path and from the interests of the great majority of their members.

The problem of reconciling a strong leadership with the express-

* Cf. p. 192 for funds available for A.F. of L.

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ion of opinion from below which shall be both effective and contrived through a mechanism capable of maintaining the active interest of the rank and file, has always pressed upon trade unions because they are of all bodies those most nearly approaching a true democracy. The problem has presented itself in an unusually acute form since 1933 in the U.S.A. to all organisations that have thrown open their doors for the entry of the more poorly paid workers. These men luxuriate in the new opportunity to manage their own vital affairs, and their natural cohesion is often in large numbers. Can a local of 25,000, such as can be found among the automobile workers, conduct mass meetings of that size without setting a premium on demagoguery or mass hysteria? On the other hand even among organisations of very experienced and intelligent workers such as electricians

“practically all small and intermediate sized unions hold poorly conducted meetings . . . when only 10 or 15% of the eligible members will attend . . .” *

The large local gives sorely needed confidence to the newly organised in dealing with large corporations, and makes possible strongly united action; but when it comes to drawing up detailed terms for collective bargaining, the difficulty of the leaders in understanding all the innumerable conditions of employment and modes of work which in fact separate the mass of semi-skilled operatives into a hundred unique classes, leads to the acceptance of poor contracts from employers and to discontent among sections of the men. For that reason groups tend often to split away from the large local—sometimes a number of these will even leave the union and organise outside it. Fierce love of freedom and inexperience in its use render minorities unwilling to give way to the will of the larger body. Compromise eludes them. What is true for the local is even truer for the young union as a whole, sprawling as it does over a continent and embracing many races, languages, and cultures. Yet action over a national front is essential for confronting companies of national scope. The problem is felt perhaps most acutely when the time comes for several local groups, built up by local heroes from the rank and file, to amalgamate into a national

* See a letter in the *Electrical Workers Journal* of November, 1937

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union. Here, the questions of the size most suitable for the locals, compromise among conflicting groups, and the degree to which constituent units will yield their hard-won freedom of self-regulation into the keeping of a national leadership—the general problem of decentralisation endemic in the American scene—are all inflamed by the necessity of adjustments on precisely similar lines among the group leaders. Who shall give way to whom? And on what grounds—experience of the loyal attachment a man can command from his old group; fighting qualities or negotiating tact?

The newness of the C.I.O. group and its desire to tackle the problem of centralisation in a way that had been shelved by the A. F. of L. opened it to internal dissension, which in the business recession of 1937–38 naturally had leisure to break out. Aggressive tactics directed towards the outer world had temporarily to cease, and it was in the early months of 1938 that Communists in the National Maritime Union talked of suppressing by violence those active in a minority movement opposed to the Executive. Here the matter worked itself out when the minority polled sufficient votes at the next election of officers to check such arrogance. Less happily, interference of a similar kind with a dissident minority of the Local 34 of the United Office and Professional Workers in San Francisco led to a secession by the minority to a rival A. F. of L. organisation. As early as the summer of 1937 strife within the Federation of Flat Glass Workers led to the suspension of several locals, and to hopeless division between the President and the other Executive officers. Finally, all parties were persuaded to agree to submitting the question to a commission of arbitration appointed by John Lewis, whose findings should be binding. But after holding hearings, the commission was able to bring all parties to a voluntary agreement by which the President retired and was replaced by the C.I.O. regional director of the Ohio Valley for the term of his presidency, while the expelled locals were restored and litigation dropped. On August 31, 1938, the representative of the C.I.O. brought his stewardship to a close after recalling the union to harmony and bringing practically the whole of the flat-glass industry within the union fold.

Very similar trouble has occurred in the United Automobile

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Workers, the most meteoric among the new C.I.O. creations and of central importance. In April, 1936, it claimed 40,000 members, in July, 1937, more than 400,000. Not only the speed of its rise, but also the militancy of its members—largely foreign-born or imported from among the poor farmers of the South—and the reckless treatment they have been used to from their employers, have tinged the rude vigour of the new organ with a certain instability bordering at times on the intemperate. A number of deep-seated points of disagreement have divided two parties in the union executive—one supported by the southern workers in the Flint, Michigan, locals, one by the socialistically inclined men of Milwaukee, Wisconsin, or Toledo, Ohio; one demanding greater power at the centre to discipline hasty locals, one desiring local autonomy in which to gain control for left-wing elements, one setting greater store by negotiation as a means of winning concessions from employers, one believing in brief strikes or demonstrations. Temperamental irreconcilabilities among the leadership, sharpened by a system of caucus whereby each side marshals votes before conventions, have threatened constant cleavages. In June, 1938, matters came to a head, and the President of the automobile union suspended five Executive officers, who were prepared to lead a secessionist movement out of the union. The two vice-presidents of the C.I.O. then sat as a committee of inquiry, and issued a report recommending the reinstatement of the suspended officers until the matter could be brought up for a vote of the whole union at its next convention. In the meantime controversial points requiring a decision by the convention must be left in abeyance by the Executive and rules be made specifying the exact powers and duties of the various members of the Executive. Any divisions that should arise must be referred to the C.I.O. itself, but it was emphasised that the latter had no intention of interfering with the normal functioning of the union or its fundamental autonomy. Such a volume of approbation greeted this report from the rank and file of the automobile workers that the Executive was forced to accept it. An arbitration body consisting of the two C.I.O. vice-presidents and two from the automobile Executive then continued to settle disputes, and in November dissolved the Detroit District Council, a body formed of delegates from auto-

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mobile locals in the district, on the grounds that it had become little more than a sounding-board for Communist Party propaganda.

As the months passed, however, Homer Martin, the President, seems to have lost the confidence of member after member of his executive board. He was driven to accepting finances from sources outside the union which were eager to see him in open revolt against the C.I.O. He began to carry on negotiations with officials of the Ford Company—still mainly unorganised—in secrecy and on terms which led to the suspicion that he was sacrificing the principles of free unionism in exchange for tolerance within the anti-union stronghold of Detroit. Finally, in January 1939, he lost his head, unconstitutionally suspended fifteen out of twenty-four members of his executive board, locked them out of the union headquarters, and removed the union records. A C.I.O. committee then reported on the situation, and squarely condemned Martin. Since then, he has been accused, in company with Ford officials, of unfair labour practices, and will come before the N. L. R. Board. In March he held a rump convention and established a new automobile union among his followers, to be outside the C.I.O. and in all likelihood within the A. F. of L. The secessionists however, probably number no more than 60,000, or about a fifth of the old United Automobile Workers. However, the existence of this dual group in the automobile industry is calculated to cause difficulties in the matter of collective bargaining, and the General Motors Corporation has already seized upon it as an excuse to terminate temporarily all dealings with organised workers in its Chevrolet plant of Flint, Michigan. In April the C.I.O. union, claiming still to represent some 350,000 workers, convened at Cleveland, and an effort was made, under the guidance and with the presence of the two C.I.O. Vice-Presidents, to settle differences within the purified body and to strengthen its fabric for the future. Three vice-presidents of the Automobile Workers—those closest to the Communist Party—wished to prolong their office, but were persuaded to stand down in the interests of unity when the office of vice-president was abolished. R. J. Thomas, a moderate, was favoured by the C.I.O. Executive for president, and received the unanimous vote of the convention. Various provisions were written into the union constitution outlawing the secretive and

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undemocratic procedures which foreshadowed Homer Martin's fall from power, and the continuance of the joint co-ordinating committee with the C.I.O. was voted.

Less happy has been the intervention of the C.I.O. Executive in the troubles of the Southern Tenant Farmers Union (S.T.F.U.). This organisation represents the most successful attempt so far seen in the U.S.A. to unionise the cotton-pickers and field workers of the South, and it possesses locals in Arkansas, Tennessee, Missouri, Oklahoma, and Texas. In September, 1937, it entered the C.I.O. as part of the general Agriculture and Cannery Workers, but since its problems remained very different from, *e.g.*, those of workers in canning factories on the northern Pacific coast, it wisely stipulated retention of its old leadership and autonomous management of its internal affairs as conditions of entry. Donald Henderson, president of the general agricultural union, however, immediately began to canvass the S.T.F.U. membership in criticism of their old, elected leaders; he sought to prevent the extension of S.T.F.U. influence over cotton-pickers in fresh districts, and ended by violating the spirit of the agreement guaranteeing the autonomy of the S.T.F.U. The officers of the latter, however, did not give way; Henderson suspended them, and threatened to divide the S.T.F.U. up by States and affiliate each division directly with his own union. It is difficult to know whether Henderson had any legitimate grounds for such tactics; the manner of them has certainly served to alienate the great majority of the S.T.F.U. locals from the C.I.O., whose Executive backed Henderson up. These locals voted, in April, 1939, to leave the C.I.O.

When in November, 1938, the Committee for Industrial Organisation turned itself into a permanent Congress and adopted a constitution, the procedure of intervention in affiliates' affairs described above was incorporated as part of the normal powers of the C.I.O. Executive Board. The independence of affiliates was guaranteed by the provision that only upon suspicion of unconstitutional action could they be investigated, and no action could be taken beyond making recommendations, which, however, might be presented at the next general convention. In other words, the parties concerned within the union being investigated would have

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to be persuaded to agree to a line of action, or else they would be subjected to the play of public opinion within the C.I.O. No affiliate may be disciplined by the Executive, but may be suspended or expelled by a two-thirds vote of the convention only. On the other hand, the President, two Vice-Presidents, and Secretary, or any member of the Executive, may in return be similarly investigated by the Executive Board. Such machinery, together with the Board's power of "expunging" any affiliate "from the payment of per capita tax due to the Organisation for any month for the members in good standing of such affiliate who are unemployed due to strike, lock-out or other involuntary cause,"¹ displays an effort to formalise the practice that has already grown up within the C I O. of combining a respect for the independent rights of member organisations with the need for a strong but fair central orientation of the whole group, essential if it is to meet on equal terms the concentration of corporate control nowadays found in American industry. In point of fact the prestige of three men, already mainly responsible for the systematic development of the Congress to its present strength, is likely to continue the preponderating factor in C.I.O. strategy. For any member of the Executive may demand a "roll-call vote" on a proposal, whereupon each member can cast as many votes as he possesses members in his union (each union has one representative on the Board): but John Lewis of the miners, Philip Murray of the steel workers, and Sidney Hillman of the Amalgamated Clothing Workers can command almost 50% of the present membership of the Congress. If joined by the automobile workers, they are likely for some time to be invincible. However, a combination of all the rest against the three could even now prevent any attempt on their part at dictation, and their prestige rests on confidence which the rest have in their experience and good faith. At bottom, then, centralisation depends on persuasion and personalities, and it is quite open for any future convention to amend the Constitution.²

¹ Section 3, Article 8, of the Constitution.

² The Constitution was presented to the C I O convention and voting on it virtually forced before delegates had time to study its provisions. It is difficult to know whether this unfair manoeuvre, reminiscent of Lewis's stormy past as President of the United Mine Workers, was justified. It is probable that the main reason for it was to forestall left-wing delegates who wished to insert provisions which might have been useful to red-baiters. John Brophy, who, as Director of the C I O, and Lewis's right-hand man,

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The evidence of a directing hand in the affairs of the C.I.O. was particularly plain during the first year and a half of its life. The explicit plan of Lewis was to attack the citadel of the open shop at its strongest point—the metal trades—and shatter its prestige once for all. These were the days when the N.L.R. Act had not yet been validated by the Supreme Court and a union had to rely on traditional tactics of independent action. But the enormous steel plants of the U.S.A., many spread over square miles and isolated from thoroughfares where presence of the general public might promote fair play towards strikers, are structurally difficult to organise and have lived under such a reign of terror that their employees were excessively cautious of challenging the company police once more. Consequently, the strategy was to work quietly among the steel labourers, while more spectacular deeds might be done in the automobile industry. The latter could be far more readily organised because the spirit of the men was different, plants were closely knit and lay on public roads, and by the simple procedure of holding up the assembly line a whole factory could be brought to a standstill. The industry is America's chief user of steel: if the great automobile companies could be forced to recognise a union, the latter might be able to threaten a boycott of steel products unless steel too signed, while the steel workers would be heartened by C.I.O. success among their customers. Automobiles, in turn, were to be brought to their knees by a prior threat of organisation in the flat-glass and rubber-tyre industries, for without these accessories no finished cars can be produced. Accordingly, in January, 1936, a successful strike was carried out in Akron, cruelly open-shop centre of the tyre industry, with the help and encouragement of the C.I.O., which sent organisers there following a speech by Lewis. In April, the Flat-Glass Workers entered the C.I.O. and rapidly brought their employers to terms. In the same month the various automobile

seemed the obvious candidate for the secretaryship, was passed over for the young President of the electrical workers. Brophy's left-wing sympathies are said to have been the cause. But since Lewis has always used the services of left-wingers, and has supported them against Homer Martin in the United Automobile Workers, it is difficult to believe that Lewis is becoming conservative. But the fact that local regional councils of C.I.O. unions were only given one vote at conventions (as in the A.F. of L. with regional groups) may mean at some time a subordination of rank-and-file delegates to the bureaucracy. Today, however, the "bureaucracy" of these new unions are still close to the rank and file.

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locals were united into a C.I.O. union, and organisation in the body-building plants of Michigan and Ohio began in earnest. In June the C.I.O. offer of opening a campaign of organisation in steel was accepted by the Amalgamated Association of Iron, Steel, and Tin Workers. By the end of the year the automobile union was ready to strike against the General Motors Company in order to win recognition and a contract. It struck, and extended action later against the Chrysler Company. By March, 1937, all the large automobile firms except Henry Ford's had come to terms. In the same month the Carnegie-Illinois Steel Company, the largest subsidiary of U.S. Steel, signed a contract with the S.W.O.C. (Steel Workers Organising Committee) without the need to strike a blow. Other subsidiaries followed. At the same time, the General Electric Company and other homes of the company union began to abolish these bogus organisations, and seemed ready for the attentions of genuine unions. Already the reputation of the C.I.O. was established, and in the main its first object had been achieved. What remained of the rubber and steel industry (against which an unsuccessful strike was waged in the summer of 1937), together with the majority of the electrical trade and Henry Ford, might now be brought to terms at greater leisure and with the help of the N.L.R. Board and the Government.

This spectacular success at the outset, together with the confidence in unionism which the validated N.L.R. Board was beginning to inspire, caused the headquarters of the C.I.O. to be showered with applications from hundreds of local unions to join them, and with as many applications for organising help. Since negotiations with the A.F. of L. had broken down, therefore, the Committee consented to step into a wider field, rather than allow a widespread impulse towards unionism to go to waste. Their first care was to create the Textile Workers Organising Committee (T.W.O.C.) by arrangement with the officers of the United Textile Workers, and under the direction of Sidney Hillman, and with the help of funds from his union* to launch a drive towards organising the 1¼ million workers in textiles among whom, since the unsuccessful strike of 1934, the cause of unionism had fallen lower and lower. The fact that the rank and file of the United

* Said to amount to \$500,000.

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Textile Workers was not sufficiently consulted in initial arrangements with the C.I.O. led to discontent among New England locals, and by the summer of 1938 Francis Gorman, the most vigorous textile labour leader, together with a handful of locals, mainly in Rhode Island, rebelled against the T.W.O.C., were suspended, and have led a movement for return of their union to the A.F. of L. Despite this incident, however, some 450,000 workers have been brought within the C.I.O. by the T.W.O.C., and about 300,000 have collective contracts signed with employers, especially in the silk manufacturing branch of the huge industry. In the same month of March, 1937, organisation was seriously begun by the C.I.O. in the petroleum, shipbuilding, metal-mining, aluminium, and shoe-manufacturing industries, and the first departure from the initial policy of concentrating on the mass-production trades was taken when help was given to the retail workers' and New York transport employees' locals who had deserted from the A.F. of L. Of these groups so far most success has been had in organising about 50,000 metal-miners, men whose terms of employment either in southern States like Alabama or in isolated camps of Minnesota had been of the roughest kind and on whom the open shop had been ruthlessly imposed. For the majority of iron-ore fields, for example, are owned by subsidiaries of the great steel companies. The 80,000 men who flocked into the Transport Workers Union have also constituted a notable triumph in a hitherto unorganised field, while most of the Atlantic shipyards have by now signed union contracts.

The next group to come within the orbit of the C.I.O. consisted significantly enough of white-collar workers—the newspapermen, architects, engineers and technicians, office and professional workers, radio telegraphers, and the employees of the Federal and State civil services—all between June and August, 1937. Organisation was extended to the banks and insurance companies in November. On the other hand, comparatively unskilled workers on the periphery of manufacturing industry began draughting locals into the C.I.O. as the autumn of 1937 drew on—seaboard and maritime, lumber, cannery, and agricultural workers. Harry Bridges' long-shoremen and the rest of the Maritime Federation of the Pacific, Curran's sailors of the Atlantic coast, 40,000 sailors of the Great

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Lakes, and later the New York river and harbour watermen and 20,000 composing the Federation of Fishermen from the north Pacific composed the first group, under the care of the C.I.O.'s Maritime Committee. The lumbermen were already approaching an organisation of 100,000 strong before they joined the C.I.O., and now began to turn their attention from the North-west to the Appalachian forests. The Agricultural and Cannery Workers' Union has worked hard among the most degraded toilers of the country, many of them coloured, and, sometimes by means of striking and running the risk of brutal treatment in isolated spots, such as among the cotton-pickers in Arkansas or the pecan-shellers of Texas, the union has contrived to sign up some 125,000.

From the spring of 1937 onwards the C.I.O. was naturally able to modify its strategy in order to save effort and expense by relying more on the N.L.R. Board. On the other hand, the delays of bringing recalcitrant employers to formal hearings, and then the risk of a case dragging on through the courts for a twelve-month or more, were in themselves enough to give time for enthusiasm among newly organised workers to evaporate before they could extract that vital necessity to their corporate existence, a signed contract with the employer.¹ Consequently, the C.I.O. has usually tried to back up the action of the Board itself for hastening cases to a conclusion—that is, forcing employers to come to terms after informal mediation or hearings by trial examiners of the Board, or forcing them to agree to a “consent election” among their employees to determine who shall represent them.² The application of such force has often had to take the form of a threat of striking, or even the execution of a strike itself. Notably in three fields where organisation had been begun seriously by the C.I.O. before the business recession of 1937, but where the fruits of organisation only showed themselves after the recession lifted in 1938, the C.I.O.'s plan was to work among the employees of a great company which dominates and leads the industry, then force an election under the auspices of the Board and demand a collective contract, after which gesture the rest of the enterprises in that field would be more easily overawed. The approach was made in this

¹ *Vide supra*, p. 144, where this necessity is argued

² *Vide supra*, p. 275, for the Board's own tactics in this connection.

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way by the Farm Equipment Workers Organising Committee to the 250,000 employees of that great industry when elections were held in the International Harvester Company ; so with Armour's Chicago plant as an avenue of approach to the 200,000 in the meat-packing trade, and so with Postal Telegraph in the communications services.

It might be argued that for the first two years of its existence the C.I.O. was merely riding on the natural wave of sentiment for collective action released after 1930 and propelled forward by a favourable Government. Consequently, its unparalleled success among the most tyrannical of America's industries might be counted less astonishing than would appear at first sight. On such an argument, then, the testing time for the C.I.O. only arrived when, in 1937, trade began to slacken and the extractive, heavy, and durable consumers' goods industries began to lay off men wholesale. How would the new unions fare when their funds ceased to be replenished, new organisation was out of the question, and internal factionalism was given time to rise to the surface ? The matter of factionalism has already been mentioned : on the whole it has so far done no serious injury to the movement, thanks to the genuine devotion of the great majority of C.I.O. leaders to a cause rather than to personal ambition. It is true that by 1939 C.I.O. treasuries were generally thought to be sadly depleted, and they could hardly stand the strain of another 1936. But, on the other hand, no such strain should be imposed again so long as a N.L.R. Act and Roosevelt remain. Their treasuries may be in better shape by 1940 to face industrial battles, but it is hard to imagine how the C.I.O. could finance a large-scale political campaign such as might well be desirable in that year. Much will depend on the economic fortunes of America during the next eighteen months. What is quite extraordinary, however, is the claim that " the C.I.O. as a whole has come through the recession with increased strength " ¹ In the years of depression that followed 1928 American unions experienced what is taken as a commonplace of labour movements—a decline in numbers of membership during times of unemployment, between 1928 and 1933 one of 17%, despite the relatively small proportion of American workers organised before the Crisis ²

¹ The words of Sidney Hillman to the New York C.I.O. Council, September, 1938

² *Vide supra*, Section I, Chapter 4

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But in November, 1938, the C.I.O. declared that its numbers had not only held during the months of unemployment, but that they had continued to increase. Doubtless this claim did not apply to the dues-paying membership, but only for those still affiliated with C.I.O. unions and ready to support union policies while depending on union services. Close on 4 million men would therefore be available to the C.I.O. for industrial action, although temporarily powerless to contribute to its funds at the former rate. It must have been at least partially due to the maintenance of C.I.O. strength in this sense that, apart from the manufacture of woollens, no industry in which Lewis's group had a fair proportion of contracts reduced wages during the recession. An attempt was made by the Federal Screw Company of Detroit to begin wage reductions in the automobile industry, but a rapid strike by the United Automobile Workers changed the mind of the company. During the months of lagging trade both General Motors and Chrysler peacefully renewed their union contracts, and when the Goodrich Rubber Company demanded a 17% pay cut in Akron, the reply of the United Rubber Workers was a campaign which ended in extracting for the first time a signed contract from the company at the old rate of wages. A short strike in May, 1938, against another of the giant rubber corporations, Goodyear, elicited a promise to enter into negotiations with the union for a signed contract, also for the first time. Ten thousand C.I.O. postal telegraph workers actually raised their wages, while the S.W.O.C. extended the range of its signed contracts. In January and June, 1938, Roosevelt, with the encouragement of the C.I.O., made public speeches condemning any attempt to reduce wage rates, and towards the end of the year his special tribunal set up under the Railway Labor Act decided that the wage structure of the country's railroads must not be in any way lowered despite the bankrupt condition of many lines. The C.I.O. had pledged full support to the railway unions in resisting this demand by the companies, since a successful attack on the wage standards of the railways would have been the prelude to aggression on all fronts. On the other hand, to maintain wage rates is not to maintain employment, and weekly aggregate wages paid in non-agricultural occupations fell during October, 1937 by 25·5, November, 1937, by 15·3, and December,

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1937, by 20 million dollars or thereabouts. At the same time mechanisation was pushed ahead in many industries in order to reduce the proportion of total costs that had to be devoted to the payment of labour.

The question of wage rates has not by any means been the first consideration in the minds of C.I.O. officials when they have settled the provisions of contracts. Naturally where industries have been disorganised and subject to vicious price and wage-cutting as a means of competition, it has been their concern to raise basic wages to a level comparable with similar work in other and neighbouring industries. Thus the end of the 1937 campaign among shoe-workers, whose employers, many being of the fly-by-night variety, are notorious for their subjection to cut-throat competition, saw a general wage rise of 15% among those organised, and a revision of piece rates which sometimes brought individuals as much as 45% increase. Again, when, in May, 1938, the fifteen-week strike of 15,000 men in the New York fur industry brought to an end a twenty-five-year struggle for order in a field almost as disorganised as that of women's clothes manufacture before the Ladies' Garment Workers Union became strong, not only was the work-season extended from six to eight months in the year and continuous employment within it guaranteed, but also minimum wages were raised by two dollars a week and the promise given of another similar rise in January, 1939. But in general, since the principle of the C.I.O. is not that of revolutionary or syndical unionism, the first concession it has sought has always been union recognition, to be followed by a signed contract which each party must undertake to observe. Where the previous record in an occupation or a firm has been such that the employer is fairly certain not to observe the contract in a bona-fide manner, but to set about undermining and weakening the union as soon as the ink of his signature is dry—and in the many brutal, open-shop areas where the C.I.O. has of necessity penetrated this attitude was inevitable—an effort has been exerted to make the employer agree to grant the union "sole bargaining rights." Such an agreement is a promise to deal and sign collective contracts with no other organisation, and is the obvious means of guarding against the fostering of a company union or some "independent" body by the

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employer with intent to elbow out the genuine organisation. The United Automobile Workers naturally insisted on such a clause after its successful strikes against General Motors and Chrysler companies in 1937, since their militantly anti-union attitude and wide employment of thugs and spies were notorious. Employers have argued against this clause by confusing it with the closed-shop clause by which every employee of a firm is forced to join, and therefore pay dues to, a union, and by then asserting that their employees are being forced to act against their will by an organised minority. The granting of sole bargaining rights in no way implies any application of force, and gives no genuine excuse for employers to spread anti-union propaganda on that ground. Elsewhere, as with the contract of February, 1938, signed with the General Electric Company's great plant at Schenectady, arrangements are incorporated by which appeal shall be had to arbitration before a strike or lock-out may be called. In nearly all contracts are found provisions for the settlement of employees' grievances and for the control of certain conditions of employment—e.g. speed-up systems. Only when the existence of the union is assured, conditions are humanised, and such things as seniority, overtime rates, and hours of work are settled, do wages normally come in for attention. The C.I.O. claims to have secured seniority rights in contracts covering over a million of their men, overtime rates of time and a half or double time for more than a million, and a forty-hour maximum work week in all contracts within the iron and steel, stone, timber, petroleum, metal-mining, aluminium, metal fabrication apart from stove manufacture, furniture and upholstery industries. Under their contract two of the large rubber companies work as short as a thirty-six-hour week, the Pacific coast longshoremen thirty.

In order to achieve these things, the C.I.O. has worked out a number of new methods in various fields. Most of these derived from the general principle that to bring large modern companies to terms trade unions must have at their command all the facilities of modern economic organisation open to their antagonists. The dingy, out-of-the-way headquarters of the Amalgamated Iron, Steel, and Tin workers, for example, were replaced by the S.W.O.C. with a floor of modern offices in a central building of Pittsburgh's

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business section, the Golden Triangle. An up-to-date clerical staff and filing system implied that the C.I.O. possessed new weapons and new allies, and gave colour to the claim that the New Deal Government was behind them. Or again, when, in the autumn of 1938, the time came for hearings to be opened under the new Wages and Hours Act,* the Textile Workers Organising Committee (T.W.O.C.) established a bureau for collecting data as a preparation for presenting the workers' case for the setting of wage minima above the basic 25 cents an hour, and, wisely realising that the workers need expert presentation as well as justice on their side, engaged as head of the bureau the Chief Counsel of the La-Follette Civil Liberties Committee, a man with wide experience in several governmental departments at Washington.

To undertake the unionisation of semi- or non-skilled workers in gigantic industries, an extensive and complex organisation is required. In time of strike, something like a full military staff and ground-plan must first be worked out. When, for instance, in February, 1936, the Dressmakers' Joint Board of the Ladies' Garment Workers were making ready to conduct a strike among 105,000 employees, their first act was to create separate committees to control and direct picketing, meeting-places, relief, organisation, unemployment, settlement of trouble, financing, legal procedure, allocation of speakers, provision of information and movements in outlying areas. The aggregate of these committees composed the general strike committee. In the Borough of Manhattan alone thirteen large halls had to be arranged for meeting-places, and arrangements made to register strikers as they went daily to their halls to be given strike duties. Such places must have facilities for the leaders to make contact with their followers, for members of picket lines to rest and receive food and be marshalled for duty, and for the receiving and distributing of news. A daily strike bulletin had to be prepared for, giving the background of the strike, its progress, instructions for procedure, and songs to be sung when on duty. Should strikers be occupying any plants, they will have to be fed from the outside—in November, 1936, members of the automobile union conducting a sit-down strike in the Bendix Products Corporation plant at South Bend, Indiana, required the

* *Vide supra*, pp. 154 and 286.

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preparation and dispatch of 1,100 meals a day. A strike is no holiday for any of those concerned. To start with probably only a small proportion of employees will leave their work. Detachments have to go round to each shop and persuade the rest to join the strike. Meetings of strikers must be regularly held, since here for the first time many will begin to learn the meaning of trade unionism. While the iron is hot in the enthusiasm of the moment, it can be struck into a permanent shape: men can learn their history and economics as translated into immediate, personal terms affecting their own lives. The implications of their struggle are brought out when instructions are given for dealing with spies, police, and armed thugs. The exhilaration of a moment of collective and creative action, which may be felt by the majority of workers like a rocket amid dark years of deadening routine, can be made to yield a profound education, however otherwise regrettable a strike may be.

Careful preparation is often an end in itself, because it may serve to overawe the employers and convince them that the union's appeal to public opinion will be stronger than theirs. They may then come to terms without any need to strike at all. Once the strike has begun, a prime object is to enlist public sympathy. Loud-speaker vans not only control the strikers in the picket line, but tell the news to the passers-by. Children carrying notices such as "Help My Daddy Buy Me New Shoes," attractive girls and members of patriotic societies to be photographed and inserted in the daily newspapers, and the distribution of leaflets, sometimes from aeroplanes, are successful devices that the C.I.O. has turned to use. Above all, the picket lines must remain orderly and good-tempered. To this end they must sometimes obey a number of detailed orders laid down by the local police, such as marching at a certain distance apart, continuing to move at a certain pace, not obstructing the traffic, and not singing or speaking. Above all, they must not provoke the police, or give them an excuse for interference. It is, of course, normal for employers to supply such an "excuse" by hiring blacklegs to pass through the picket lines into the plant or to attack pickets, or by supplying bogus strikers who will enter the picket lines themselves and create a disturbance there, or by persuading the chief of police to perform these functions with his own men.

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It is often on the picket line itself that the crisis of a strike must turn, especially when the public authorities have taken sides openly against the union. The pickets, supplied in relays and probably exposed in the U.S.A. to great extremes of heat or cold, must at once keep the plant shut down, prevent the entrance of blacklegs, enlist public support, and comply with police regulations. In sub-zero temperatures they must while on the march be supplied with hot drink and food, and it is difficult to prevent free fights when the police or troops overturn food-wagons tended by strikers' wives or confiscate the means of sustenance. A great body of pickets is the natural tactic for mass-production workers, both to keep up their own spirits and to make employers or police think twice before attempting to provoke violence. This tactic was not invented by the C.I.O., and had always been prominent during strikes among the non-skilled. But the C.I.O. saw its value, and has made great and effective use of numbers as such.* Many excellent examples occurred during the wave of militant strikes that swept the country in 1933 and 1934, and served as models for later use. During the 1933 spontaneous strike of dye workers in Paterson, New Jersey, for example, one shop dared to import strike-breakers, armed with clubs and iron piping, then one morning 5,000 pickets surrounded the plant and with very little argument persuaded the "scabs" to escape from the city in six taxi-cabs. No doubt in the same strike, also, the evident solidarity of the pickets encouraged the Veterans of Foreign Wars, a patriotic society of some influence among the middle classes, to refuse the requests of the Chamber of Commerce to act as strike-breakers. Instead, they supplied the strikers with a brass band. A good example of the developed use of this technique was the strike against the Goodyear Rubber Company in Akron during the early months of 1936, under the direction of C.I.O. organisers. The central labour union was the headquarters of the strike, a fact which meant that the whole labour movement of Akron was engaged in the struggle. Men of all unions joined in the picketing, and turned out in force when the call went out from time to time that the anti-labour mayor was massing police with intent to apply force. The use of the radio to reach both public and strikers was

* *Vide supra*, p. 173, for the question of mass action in 1933.

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an important feature of the affray. In the fourth week it became clear that under cover of a "law and order league" a body of men was being organised by the company to do violence to the picket lines. A call was then broadcast to local war veterans' groups to enlist and help the union. Within two hours they were drilling in their headquarters and ready to march to the strike zone, and the immediate threat of violence was thus postponed. Farmers of the neighbourhood helped also in the picketing and supplied much of the food free to the strikers' wives. Pressure from Washington and threat of a boycott by all the American unions of Goodyear tyres finally made the company agree to negotiation.

Mass tactics are not, however, always successful. There may easily come a moment when, if both sides are resolutely determined not to give way, what began as a peaceful industrial struggle seems to cross the border into a local war. The hirelings of the employer, whether the local police or otherwise, usually have to bear the responsibility for thus changing the character of a strike because they can normally expect to command the sympathy of the authorities and therefore to play with fire unpunished. On the other hand, when massed pickets prevent the movement of men or vehicles, when in a taxi-cab strike they overturn and burn cabs in which strike-breakers are driving about a city, or when "pickets, armed with baseball bats and clubs, barred freight cars and food-trucks from entering the property"¹ of the struck company in order to starve out blacklegs within, then strikers seem to be going too far and causing "unjustifiable annoyance and obstruction which is likely soon to savor of intimidation,"² as well as destroying property. That, at any rate, is how the situation will appeal to the middle classes, and once their sympathies are alienated, it is hard for a union in the U.S.A. to bring a strike to a successful conclusion. What is deplorable is that conflict may reach a stage when workmen, normally peaceful, are impelled to destroy property and interfere with liberty because what the N.L.R. Act has defined

¹ From an article by Louis Stark in the *New York Times*, May 29, 1937, describing the pickets outside the Youngstown Sheet and Tube Company, and the Republic Steel Corporation, of Youngstown, Ohio.

² The famous words of Justice Taft of the Supreme Court, who in 1921 wrote a decisive judgment limiting pickets to a handful at each gate of a plant (257 U.S. 184). See next page.

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as their property interest in their jobs is being assailed by a company. However, they have no alternative under existing social institutions, if their rights are to be secured.

There has been no more tangled thread in American legal history than the attitude of the courts to picketing. By a Supreme Court decision in 1921, which ranks as one of the principal factors in suppressing unionism in the post-War years, pickets must number only one or two at each gate of a plant. Beyond that, picketing becomes illegal. Following this attitude, a district judge in Iowa restrained 150 men in a picket line at the Sioux City plant of Swift, the meat-packers, during October, 1938, and allowed ten only to parade. Three months before, Magistrate Solomon of Brooklyn, New York, had rebuffed the efforts of the police to wipe out a picket line, saying that "Whether pickets are orderly or disorderly depends on their picket line and not on their numbers" ¹ Again, early in 1937 the Supreme Court of Maine decided that "unionization is an unlawful purpose of picketing," ² while in States like New York pickets may parade whether there is a strike or not. In short, the courts in this matter as in others take their colour from the surrounding complexion of the administration, since they have little or no statute law to guide them. But it is not only the judge who may abolish mass-tactics, there are times when even the police obey an unusually bitter employer and attack a great body of strikers. The strike of the transport workers of Minneapolis in January, 1934, was an excellent instance. Here, the other unions in the city backed up the Teamsters Union, just as they did at Akron in the rubber strike of 1936, and the ranks of labour found themselves face to face with an exceptionally ruthless body of employers, who enrolled 100 of their number as special police and likewise enlisted 1,500 ex-service men. Strike-breakers were drafted in to man the lorries, and on the 22nd 5,000 strikers had a fight with deputies protecting "scab" lorries and drove them away. The strike, unsatisfactorily patched up, broke out again on July 17, and the mayor decided that this time lorries should be allowed to move under police protection. When pickets attempted to stop them, the police fired and killed two strikers, wounding

¹ See *CIO News* of June 18, 1938.

² See article by Dean Dinwoodey in the *New York Times* of June 6, 1937.

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several more. Strikers stopped to pick up their dead, were ordered not to by the police, refused, and a second volley was fired, hitting forty-five men. An even more deplorable example of the same tragic circumstances occurred when Tom Girdler was resisting the S.W.O.C. during the steel strike of May, 1937. A meeting of strikers and their families, largely a holiday crowd, it being Memorial Day, was held near the South Chicago plant of the Republic Steel Corporation. The police commissioner had declared that pickets need not be limited in number so long as they remained peaceful. The meeting over, the crowd walked in a gay mood towards the plant, in front of which a large body of police were drawn up, ostensibly to protect the company's property. The leaders began to speak to the police officers, when suddenly tear gas was fired into the crowd and then a volley from some 200 revolvers. A film was made of the scene by news-cameramen on the spot, showing how the police then charged at the fleeing crowd, shooting and clubbing men, women, and children, especially when they had fallen down. Ten lay dead or mortally wounded on that afternoon, mostly shot in the back; over a hundred, including a boy of eight, were seriously wounded. The police would allow no aid to the wounded by unionists, but loaded them into police cars and drove them to police stations instead of hospitals.*

Scenes such as this must be put down to the authorities, not to the use of massed pickets. They have been extraordinarily rare in the history of the C.I.O., which has succeeded in organising industries whose employment record has been so brutal, and who were expected to take such a bitter revenge on employees daring to assert their right to combination, that no united action was conceivable for the men except in large numbers. Except in the steel strike when Girdler explicitly applied the Mohawk Valley Formula and must take full responsibility for the loss of life and limb, the C.I.O. has penetrated home after home of the open-shop die-hards peacefully, the great majority of physical brutality being confined to backward regions like the South, where it is a common-place even without the provocation of a union, and to the persons of a few organisers who have dared from the United Automobile Workers to go near any of Henry Ford's plants and expose themselves

* The outcome of this massacre was alluded to on p. 302.

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to his company police, or from the United Rubber Workers to approach the last important "company village" in the country that remains under its old cloud of intimidation—Gadsden, Alabama. The unparalleled success of the C.I.O. has been largely due precisely to its ability to use the natural coherence of large bodies of mass-production workers, and to undertake the risk of a militant tactic without which they could never have been brought into the unions.*

Both in details like the waging of strikes and in broad strokes of policy, the C.I.O. has attached great importance to winning public sympathy to its side, largely by means of using a friendly Government. Here is a contrast to the traditional approach of the A.F. of L., which has been in the main to hold apart from the sphere of legal and governmental action, and deal direct with the employer through the threat of union action rather than through the medium of public opinion. Needless to say, the change in social *milieu* after 1930 has made possible this evolution in strategy. The C.I.O., then, has made the most of its rush of applicants, gathered great numbers within its fold, and "told it to the world" as often as possible. The dramatic appeal of this story filled the Press with labour news, until the summer of 1937 mainly favourable. By then, however, Rand and Girdler were retaliating in kind, the Press became hostile to the C.I.O. and the citizens' league and back-to-work movement began to bid for public support against the union. Meanwhile, however, the C.I.O. had already established itself. A network of offices had been opened in the main industrial regions and sub-regions, staffed with experienced organisers mainly from the miners' and men's clothing unions. These staffs directed the efforts of the keen young organisers thrown up by the new unions themselves, except in the organisation of steel, where Murray and Bittner, veterans from Lewis's union, worked largely with old hands from their own union's ranks. John Brophy, C.I.O. Director, has acted as contact man between the various points in the network, attending meetings and conventions, and arranging the terms of entrance to the C.I.O. This type of organisation has had the further advantage of helping to remedy the great shortage of experienced union leaders felt throughout the country from 1933

* *Vide supra*, pp. 178 ff., 197 ff.

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onwards, a shortage felt even more keenly once the initial stages of organisation were over and the time arrived for skilful bargaining and intimate dealing with employers as inexperienced as the unionists themselves. Handbooks like those entitled "Production Problems," and "Handling Grievances" have been printed and distributed from the C.I.O. offices at Washington to help in the process of rapid education of the younger men; but of greater value, perhaps, has been the intervention of higher C.I.O. officials, such as Regional Directors, or even men from Washington, who, coming from the outside and commanding respect, can cool tempers and bring the fruits of long experience to bear.

No better justification of the C.I.O.'s methods could be found than in its handling of the strike against the General Motors Corporation at the end of December, 1936. This was the first of the great open-shop companies the C.I.O. as such undertook to challenge—the largest automobile company in the world, able to command vast resources, and dominated by the families of Morgan and DuPont, who have figured among the bitterest enemies of organised labour. The strike was forced upon the C.I.O. by the spontaneous action of exasperated automobile workers, in their turn perhaps influenced by a strike in November in the G.M. (General Motors) plant at Atlanta, Georgia, which was probably precipitated by the A.F. of L. in order to embarrass the young automobile union. Failure at this point would have proved an extremely serious setback to the C.I.O., and it was plainly being pitched into no small undertaking. Although most of the G.M. plants throughout the country were gradually closed down by strikers, all turned on the success with which the large assembly factories near Detroit could be paralysed. Occupation of the plants by strikers who "sat down" in them, was the method used here, and the company was prevented from using force to turn the strikers out, or starve them out, through fear of alienating public opinion. It is true that 500 thugs were imported into Plant No. 4 at Flint and caused eighteen casualties, while strike-breakers made organised attacks on pickets in the rural towns of Saginaw and Anderson, and an attempt to introduce black-legs into the Pontiac plant was made by running the pickets over. These were minor incidents, however, compared with what might have occurred if

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the C.I.O. had not cowed the company by its firm hold over public opinion.

This was contrived mainly through official channels. The Laffollette Committee began to uncover the activities of the Corporations' Auxiliary Company, a strike-breaking agency whose second best customer in 1936 had been none other than G.M. The National Labor Relations Board was engaged in fighting G.M. in the courts, thereby implying that the company was a law-breaker. Great pressure was put on Roosevelt, now fearful lest industrial recovery should blossom into an uncontrollable boom, and therefore in a very different frame of mind from when, in 1934, his Automobile Labor Board had discouraged union activity in the industry in order not to hinder recovery. The President and Lewis together brought pressure to bear on the Governor of Michigan, a supporter of the New Deal, who, as a result, resolutely refused to use troops against the strikers and strained every nerve to bring the executives of G.M. to the point of negotiating with the union. In the absence of troops, the local police were in general afraid to tackle strikers in such large numbers and of such enthusiasm. Incessant calls to conference were issued by the Secretary of Labor in Washington, which the attitude of the company finally led them to rebuff, so that the Secretary was able to announce to the Press that it must now be "clear to the American people why the workers have lost confidence in General Motors." The breaking point came when the C.I.O. brought its strike against the plate-glass makers to a close, so that G.M.'s competitors could begin to market cars, and when a severe injunction against the strikers had been obtained by G.M. from a Michigan judge, but the sheriff refused to execute it because reinforcements arrived from rubber, steel, and coal-mining districts for the strikers and because the Governor remained unfavourable.

The fact that governors largely elected by labour votes and devoted to the New Deal philosophy were in power in the great industrial States of New York, Pennsylvania, Michigan, and Indiana during the early struggles of the C.I.O. was of the very first importance. Their presence explains much of the C.I.O.'s success, and in particular the bloodlessness of its penetration into mass-production industry. On the other hand, the one significant

defeat so far suffered by Lewis's battalions—the defeat of the strike against four “independent” steel companies, Bethlehem, Republic, Youngstown Sheet and Tube, and Inland, which began on May 26, 1937—was not only due to a miscalculation by the S.W.O.C. leaders, themselves coal-miners used to the sense of solidarity to be found at the pit-head and deceived by the many steel workers who had already signed up with the Committee into assuming that an organising strike among the cowed inhabitants of steel towns would rally the remainder to the union. The struck areas lay largely in the States of Ohio and Illinois, where the governors could be made to obey the company executives and support a large-scale application of the Mohawk Valley Formula, backed up with no small physical violence to strikers. Most important of all, the support from the President which the S.W.O.C. had good reason to expect, was not forthcoming. Now that the N.L.R.B. has become established, at least for the present, this is a more reliable instrument for the union leader, who can sometimes, if he is clever, elicit a contract from large companies merely by the threat of denouncing them to the Board. However, it must be emphasised that reliance on the authorities is not by itself enough to win battles in the American labour field. The C.I.O. may have used them to offset the weapons that have always been to hand for the employer, but at bottom the success of the new unions has rested upon an ability to exploit militant tactics and the sentiment of labour solidarity.* Such an exploitation needed a boldness of imagination beyond the general run of manœuvres normally employed by American organisations. Work, for example, has had to be undertaken among communities so terror-ridden by industrial espionage that holding meetings, talking to employees in the streets, or even paying visits to their homes, were out of the question. Loud-speaker vans broadcasting their messages to empty streets, radio broadcasting, and the mailing of literature through the post urging the employee to cut out a form of application for the union and having filled it in, post it to a safe repository in Pittsburgh, are methods that have been evolved. The members of the automobile union employed by Ford, one of those who have sworn he will never sign a union contract, have made a virtue of necessity by

* See Chapter 4, Section I.

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sending representatives to conventions wearing masks to avoid identification and victimisation.

In one difficult area, and without benefit¹ of Federal support, the new unions have grown to remarkable strength despite the hostility of the local authorities. That area is the Pacific coast. That it has traditionally remained a fortress of the open shop under the care of unusually strongly united employers has already been mentioned.¹ Since 1934 the employers have taken even more resolute measures to keep it "the white spot of America where industry can establish itself unfettered from union labor dictatorship,"² and have spread their organisations to the farming districts where the Associated Farmers, financed by large automobile, railway, and public utility concerns, have prolonged a reign of terror under the patronage of a Republican U.S. senator. Their efforts to render permanent the vigilantism which spread across California during the 1934 San Francisco general strike have been nourished by the influx of farmers from the East who through drought, erosion, or a falling demand for farm products have lost their livelihood and drifted to a region of mild climate. The presence of disease, starvation, and vagrancy has made it easier to maintain an atmosphere of hysteria, so that attacks by armed vigilantes or the State police have attended the efforts of the miserable farm-workers to organise, whether under the auspices of the A.F. of L. or C.I.O. During its hearings in August, 1938, the Dies Committee did its best to whitewash the terroristic activities then occurring on the West Coast and the concerted effort being made to obtain the adoption of laws which would cripple the unions.³ The response made by the masses in California, the State perhaps mainly affected, was to elect Governor Olson, a pro-labour Democrat who replaced the late governor's anti-union activities by the magnificent gesture, on his inauguration, of releasing the labour martyr, Tom Mooney,⁴ after twenty-two years of gaol.

Just as a strike on the assembly line of General Motors could

¹ *Vide supra*, pp 58-60

² Spoken of Los Angeles by the incoming President of the Merchants and Manufacturers Association of that city, September, 1937

³ *Vide supra*, p 242

⁴ *Vide supra*, pp 37 and 59.

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bring the company to a standstill, so a closing down by union action of the water-front of Pacific ports can make the great majority of California's, Oregon's, and Washington's business men feel the presence of a labour dispute. The 1934 strike of the Maritime Federation of the Pacific, a group of longshoremen's and sailors' unions led by Harry Bridges, succeeded, despite the death of twenty-four strikers and wounding of more than 100 at the hands of the police and vigilantes,* in winning the concession of a union-controlled hiring-hall and improved wages. As a result, company unions and casual labour disappeared from the water-fronts, and conditions of labour were improved beyond what could be found in almost any port in the world. Since then, the history of the coast has been overshadowed by a series of concerted efforts by the employers' associations to break the Federation. In January, 1936, they succeeded in detaching the Pacific units of the International Seamen's Union from their parent body, and later from the Maritime Federation. In April a general lock-out and boycott of the union hiring-halls were planned, but Bridges exposed the plan in time, it was published in the Press, and the employers felt public feeling turning too strongly against them to proceed. About the end of the year, the 1934 longshoremen's contracts drew towards a close, and two months of negotiation found each side at loggerheads. The employers still insisted on disputing the prolongation of the union halls on which the union's existence mainly depended. In other words, they were attacking the very fact of unionism, and thereby offending against the N.L.R. Act. Nothing remained but to strike for another contract.

This strike throughout the Coast, waged at about the same time as that in the General Motors plants, was a remarkable example of disciplined management on the part of young unions, and they undoubtedly won the day through their fair play and by enlisting the support of the public through the Press. Not that the employers omitted to fill the newspapers with their views, or arrange for the Governor of California to broadcast anti-union propaganda. Three officials of the Marine Firemen's Union were arrested on trumped-up charges, but that was the most that could be done to give the impression that the strikers were law-breakers. The cleansing of the water-front since 1934 by the union hiring-hall, and the support,

* *Vide supra*, pp. 138-39.

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both physical and financial, which the Maritime Federation could now command from such unions as the radio telegraphists, warehousemen (both of which had entered the Federation), and in particular the strong sawmill and timber-workers' organisation, enabled Bridges' men to police the docks and keep them free from trouble-makers, and robbed the employers of their usual sources of black-legs who would pass through the union pickets and unload the idle ships.

In August of 1937, a Committee of Forty-three was formed by all the employers' groups in San Francisco, to co-ordinate anti-union strategy. During that summer the conflict between Dave Beck of the A.F. of L. and Bridges raged along the coast, and business men had every right to assume that the cause of organised labour had been correspondingly weakened.* The autumn of 1938 was chosen as the next time for testing its strength, at which date the contract with the longshoremen fell due for renewal, the State and U.S. Congressional elections would be at hand, and, in addition, the Dies Committee in Washington might be expected to be calling Bridges a Communist agitator from Australia and dubbing the labour movement throughout the western States "red." Meanwhile, however, there were some 130,000 members of trade unions in Los Angeles, and about 100,000 in San Francisco, bringing something approaching a sixth of the population in the former city, more than a half in the latter, into sympathy with either A.F. of L. or C.I.O. organisations. The problem, then, largely turned on whether the two bodies would fall out if challenged decisively by the employers. The challenge came when a cargo of goods from a struck warehouse of Woolworth was sent systematically round to those warehouses where the workers belonged to the C.I.O. union, who, on refusing to handle "hot" goods, were immediately locked out. Fifty of the union's leading men had already been discharged. The plan, no doubt, was to encourage the A.F. of L. teamsters and sailormen to move the goods which the C.I.O. longshoremen, supporting the warehousemen, would refuse to handle. But that was not all: for meanwhile, although union contracts had been renewed with all the organisations of actual shipboard workers, a refusal had been received by

* *Vide supra*, pp 241 and 256.

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the longshoremen except on condition that they inserted into the new contract an additional clause giving an employer the right to fine dockers who executed "quickies" or short stoppages of work in protest at some alleged misbehaviour of foremen or the like. Such brief stoppages, precisely what are to be expected when each side to a union contract remains uncompromising and the employer is determined to break the union as soon as he can, had not been uncommon. At the same time, retailers of San Francisco refused to renew a union contract with the A.F. of L. retail clerks' organisation, a union, however, which was known to be highly sympathetic to the C.I.O. About 7,000 of these men went on strike. A general strike seemed imminent, in the atmosphere of which it was hoped that anti-union measures would be voted by the electorate. In the end, however, the whole of the employers' offensive petered out, since the A.F. of L. and C.I.O. forces were only driven closer together and the warehousemen's strike remained effective. Bridges compromised on the matter of "quickies" by undertaking to discipline impulsive unionists himself, with the help of permanent arbitrators appointed by the U.S. Department of Labor. The warehousemen's and the longshoremen's contracts were renewed, while the employers began once more to reorganise their associations in order to be in a yet stronger position to deal with the unions.

⁶ The "quickie" and what corresponds to it in factory life—the brief sit-down or stay-in strike—have undoubtedly created problems of discipline for the new unions such as the older ones have rarely had to face. Traditionally, negotiation with employers or presentation of grievances has been reserved for the union officialdom, and these tasks have been facilitated by a habit of unionism in spheres where the A.F. of L. has moved with success. But direct control by the rank and file itself has been a feature, and indeed the secret of success, of the newer C.I.O. organisations whose mass-production workers are inspired by an infectious sense of democracy and their grievances readily voiced by "shop-stewards" or departmental representatives working on the spot. Moreover, the autocratic habits of company managements, in particular the foremen who come into direct contact with the semi-skilled employee, have been difficult to unlearn in an atmosphere of

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grudging recognition of the union's existence or of declared hostility and open attempts to wreck it. In fact, when the new unions forced their way into the machine, automobile, rubber, and chemical factories, inexperience and bad faith tended to make the mechanism for presenting grievances impossible to work smoothly. Not infrequent stoppages during 1936 and 1937 in these industries were the result.

The question of the sit-down strike cannot be discussed unless the conditions found by the C.I.O. in the haunts of the open shop are first understood. In the automobile industry, for example, high hourly wages were to be found in conjunction with low annual pay because production had been arranged on highly seasonal lines—the wage statistics of such industries are usually issued in a misleading form, either in such a way as to disguise the seasonality or to include the wholly disproportionate salaries commanded by their executive staffs, so that the average figure is unduly raised. Production had been speeded up to a pitch where strong men used to fall out of the assembly line in exhaustion or end the day with bleeding fingers—according to a Department of Labor Survey of the automobile industry in 1934, thousands of workers fell every year with lead poisoning, rupture, or nervous prostration. But “if one man falls by the wayside, another is there to take his place,” thanks to the deliberate policy of retaining on the company's books, and attracting to the company's premises day after day, hosts of unemployed workers, who may also serve to cow those within through fear of being laid off and to act as strike-breakers in time of labour trouble. This host of retainers has been deliberately cultivated by the companies, who have advertised for workers, or arranged for their transportation, in backward and poverty-stricken areas of the South. The turnover of labour has been high in open-shop industries, since a word from the foreman was sufficient to discharge a man without any chance of further inquiry or redress, and because the speed-up and the low pay have tended “to crack the morale of their workers so that they in turn quit their jobs in disgust instead of trying for organization, thus keeping the pay scale low and the hours long.”* In such

* Report on District 50 (chemical works), by F. L. Ruscoe, organiser of the Mine Workers, in their *Journal*, December, 1938

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employments young and inexperienced people are those mainly encountered, thanks to the employment policy of the companies and because men above the age of forty cannot stand the strain of such conditions. It was only to be expected, therefore, that in the N.R.A.'s Preliminary Report on the Automobile Industry of January, 1935, for example, the investigators should conclude that "labor unrest in the automobile industry exists to a degree higher than warranted by the depression." Add that in States like Michigan, Tennessee, Alabama, Ohio, and California, where these industries are largely to be found, labour laws remained in a particularly elementary condition and the public authorities proved in many instances during 1936 and 1937 to be ready to side with the companies against their employees. It was inevitable, then, that these comparatively young workers should take things into their own hands, and express years of pent-up exasperation and despair by a simple means that must have dawned upon them like a miracle—the possibility of a discontented group's folding their arms and bringing the inaccessible "higher-ups" to terms by halting the output of a plant. Only in the light of these deplorable working conditions can either the overpowering enthusiasm for the C.I.O. be understood among the toilers at the centre of America's industry or the preoccupation at first on the part of the newer unions with winning improved conditions in their collective contracts. The strikers in General Motors, for example, were demanding in January, 1937, abolition of piece work, the thirty-hour week, reinstatement of all employees "unjustly discharged," seniority rights based on length of service, control of the speed of production by arrangement with the union. They were asking for no specific wage changes, but contented themselves with requiring minimum wages "commensurate with an American standard of living."

If these were not reasons enough for militant action by the newly organised, further factors at work in the situation between 1934 and 1937 can be found in the collapse of the N.R.A. and the chaotic conditions of competition and employment into which many branches of industry were thrust thereafter; the ensuing fear that the courts would render pro-labour legislation abortive and the consequent reversion to industrial action; finally, the

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resistance put up by employers to the working of the N.L.R. Act and the slowness with which formally concluded cases often came into effect after prolonged litigation. In particular, where new unions had actually obtained a footing, the managerial staff often viewed all negotiation either with suspicion or contempt: officials were not given any genuine power to adjust conditions, and hundreds of complaints would accumulate.* In consequence, a veritable storm of sit-down strikes swept across the country when the automobile and Pacific coast strikes were brought to a successful conclusion by the unions in the early months of 1937. The Middle West, home of steel, automobile, and rubber production, and the scene of relatively bad employment practices, suffered most of all. A survey made by the *New York Times* in the middle of March showed that some 200,000 men were engaged in sit-down strikes, each of small or moderate dimensions, mainly in the States of Illinois, Indiana, and Michigan. Ohio was torn with seven strikes, the cities of Philadelphia and St. Louis with twenty-three and six respectively. In cities like Boston and New York, where more enlightened labour laws and administrations were to be found, and where employers were more accustomed to dealing with strong unions, there was no such trouble.

This display of discontent on the part of enthusiastic work-people appeared at the time to the middle classes as a symbol of the first stirrings of an angry giant. What might be the effect of this mighty organism once it had fully awakened? Panic drove many legislatures to pass laws or introduce Bills specifically classing occupation of property by strikers with trespass, a misdemeanour which is liable to criminal prosecution and consequently invites the use of force against it in many States. The Governors of Vermont, New Jersey, and Texas declared they would have no sit-down strikes in their States. In April the Senate went so far as declaring them "illegal and contrary to sound public policy," but wisely included the use of "the so-called industrial spy system" in their condemnation.* In July the Secretary of Labor made the Administration's first comment on the situation, saying that she had repeatedly urged labour leaders to avoid the tactic, and regarded it as "full of hazards." Finally, in March, 1939, the Supreme

* See report in *The Times*, April 8, 1937.

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Court decided in the *Fansteel* case that to discharge employees for engaging in a sit-down strike was not to commit an unfair labour practice. The day of the sit-down seems temporarily over.

Now that the C.I.O. unions have in general passed from the stage of penetrating the open-shop industries to that of collective bargaining with them, the above tactics are not so necessary, and have, indeed, since 1937 largely disappeared from the American scene. Sit-down strikes can only be used effectively in certain places—where a “bottle-neck” like the assembly line occurs, and where food can be passed safely in to the strikers by supporters from outside. Although the application of violence to men inside factories is much more difficult than to pickets—one of the main attractions of the sit-down—determined employers have improvised armoured towers from which they bombard the interior of a factory with gas and missiles and drive strikers out.* A further weakness in the new tactic was that it might easily be indulged in by irresponsible employees contrary to the orders of their leaders, a “weakness” which might sometimes turn out to be a source of advantage to members of unions where leaders were too timid to initiate desirable action on militant lines and seemed inclined to compromise the interests of the rank and file. The young steel and automobile unions had sometimes to take stern measures, such as fining members, for unauthorised sit-downs during 1937; but there is good reason to believe that much reckless behaviour was the result of provocation by foremen and company agents engineered in order to bring the union into public disfavour. On the whole, however, at any rate under the conditions of 1936 and 1937, the sit-down strike, where it could be used, offered many unique advantages—minimisation of violence, physical comfort for strikers, great opportunities for promoting the morale and education of strikers (in a well-organised sit-down instruction and communal activities of all sorts flourish) and dramatising for the benefit of the public the employee’s interest in his job and the underlying gravity of the situation.

The leaders of the C.I.O. have used the above technique as sparingly as possible, except among the Pacific longshoremen.

* See the action of the *Fansteel Company*, reported in the *New York Times* of February 27, 1937.

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With no more interest in militant tactics *per se* than the leaders of the A.F. of L., they doubtless feared to alienate middle-class caution. The goodwill of the public is, indeed, of vital importance to a labour movement. Skilful labour leaders in the past had recognised this fact, notably John Mitchell of the coal-miners, who, by forcing the anthracite-mine owners to display their uncompromising attitude during the strike of 1900, turned the public and the authorities against them in one of the most brilliant of pre-War labour actions. On the other hand, since the A.F. of L. possessed no well-developed labour Press, employers were generally able to manipulate public feeling in their favour, and thus win campaigns against unions. No better example of this could be found than the ill-fated steel strike at the end of the War, which might have been won by the A.F. of L. if it could have carried the public with it, but which was in fact, by a ghastly travesty, represented throughout the Press as a kind of American Bolshevik revolution on the 1917 model. Now, the C.I.O. has relied much more than the A.F. of L. upon catching the imagination of the public and of the masses in its great campaigns since 1935, and has partly to that end brought the Government more prominently into its struggles. The C.I.O. unions have perhaps paid more attention to broadcasting on national radio systems capable of reaching the average listener than the A.F. of L., and their journal, the *C.I.O. News*, every week must influence a public of some four or five millions. Yet, in the main, the C.I.O. has relied upon conveying its story to the public through the columns of the non-labour Press, its publicity departments handing out well-digested news to reporters. Such procedure was certainly an advance on previous union habits, which had rather been to ignore a normally hostile Press. Where, as in the great strike of the rubber-workers in Akron during 1936, the local newspapers reported the union side of the picture as well as the other side, public opinion has been neutralised or turned against unfair employment practices, and the unions have been able to emerge happily from difficult situations. Even in backward localities like the South, newspapers have certainly tended of later years to give more space to a fair presentation of labour news.*

* E.g. the *Raleigh, North Carolina, News*, *Anniston, Alabama, Star*, *Birmingham, Alabama, News*, *Chattanooga News and Times, Tennessee*; *Louisville, Kentucky, Courier-Journal*. See Southern Policy Association's pamphlet on the Press

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Moreover, by cutting off the channels of publicity from unions—enjoining reporters from retailing news, arresting newsboys, or using threats of violence—employers have often paid a tribute to the unions' power to influence public opinion. When companies take to advance planning of aggression against unions, however, and apply the Mohawk Valley Formula on a serious and comprehensive scale, it becomes immediately plain that the unions' lack of a national Press owned by themselves can be a fatal weakness. During the steel strike of 1937, for example, the companies, knowing in advance through spies the plans of the S.W.O.C., and working closely together, were easily able to head off the C.I.O.'s propaganda and demoralise the strikers by publishing false reports and spreading rumours. It has already been shown that the essence of the Formula is to turn public opinion against strikers, and although the C.I.O. shows signs of taking this matter seriously,¹ it has not so far launched a newspaper which can both reach the middle-class fireside and bring more to the working classes than a narrow range of labour news, and thereby offset the power of the companies to apply the Formula.

A section of the public so important that the C.I.O. needs above all to enlist its sympathy are those occupied in agriculture. Together with their families they control by their votes well over half Congress.² This multitude, however, is far from uniform. On the one hand wealthy plantation- and orchard-owners closely allied with industrial and commercial interests, together with the increasing numbers of banking, insurance, and agricultural companies which work the land by factory methods, fall naturally into the same rôle throughout rural districts which the large employers occupy in the cities—the rôle of enemy to a labour movement. Industrial conservatives can easily appeal for their support, notably in the South and along the Pacific coast. Evidence of such alliances has already been mentioned in the night-riding of the Ku Klux

¹ The need to persuade all C.I.O. unionists to read the *C.I.O. News*, as a national C.I.O. paper, was emphasised at the Convention in November, 1938. Its circulation has now risen to close on a million.

² According to estimates prepared for the Republican Party, published in the *New York Times* of December 17, 1937, 61.6% of the House and 75% of the Senate came from predominantly rural districts. In thirty-six States more than half the population lives in towns comprising less than 10,000 or on farms. 268 out of 435 Congressional Districts are classified as rural.

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Klan against C.I.O. organisers in the textile districts, and in the passage of Oregon's anti-union law. On the other hand, the dependants of such rural magnates, numbering some 3 million agricultural workers and 1 million share-croppers, who with their families represent about a seventh of the population and exist at a very low standard of life, tend to form a rural proletariat among which the principles of industrial unionism ought to be at home. Thus, the Southern Tenant Farmers Union in the cotton-fields, and the Agricultural and Cannery Workers among the tobacco-workers of Virginia, the pecan-shellors of Texas, the beet-cultivators of Colorado (dominated through the Mountain States Beet Growers' Association by the great sugar companies), together with labourers in the lettuce-fields and orchards of the West and field-workers who come into canning-factories for seasonal employment—these are proving the suitability of trade unionism for the countryside. Elsewhere, such spontaneous growths as the Dairy Farmers Union of New York State have found out for themselves the value of the strike and the boycott for their own purposes. So far, however, very few of these millions have been brought within the active orbit of unionism. Meanwhile their poverty and poor education open them to propaganda from the anti-union forces designed to show that just as town and countryside are eternally in conflict, so industrial unions aim to raise their status at the expense of the countryman, causing the prices of industrial products to rise. No doubt suspicion and hostility towards the city are not such strong prejudices in America's fields as they are among peasantries elsewhere; but the success of the manufacturers in maintaining a high tariff for their products and the legend of racketeering and city corruption have traditionally coloured the farmer's views against urbanism.

Highly important is the third group—independent farmers who, although steadily diminishing in numbers, still dominate the vote of the Middle West, and are influential in States like Pennsylvania and Washington. Very few of these are organised, and the opponents of the New Deal are making every effort to gain their votes. The Farmer-Labor Party of Minnesota and Wisconsin, however, has shown that both farmers and urban proletariat can agree on a joint programme. During the Congressional session of 1937-9, also,

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some forty representatives from various cities and rural areas formed an independent liberal *bloc* meeting every week under the *aegis* of Maury Maverick of Texas. Then, in the elections of autumn, 1938, organised labour succeeded in capturing the support of the Farmers' Educational and Co-operative Union and the Farmers' Holiday Association, while in the North-west the Grange voted with the unions against the anti-labour legislation proposed in California and Washington. Not until 1938 did the C I O seriously turn its attention outside the cities, and it has not gone far among the independent farmers. The great majority are difficult to reach, being without progressive organisations of their own. Nevertheless, the success of the labour movement with the three groups just mentioned was significant because the Associated Farmers and other viciously reactionary groups, such as the Catholic Father Coughlin's, tried hard to win them over. In its Convention of November, 1938, the C I O not only emphasised the fact that it was no revolutionary body, but sought peaceful contracts and negotiation; it also adopted a definite programme of reform in favour of the farmer. The Government's policy of subsidies and credits to agricultural producers was endorsed in principle, and extension of purchase by the Department of Agriculture of surplus products urged. Farmers' co-operatives were to be protected from the attacks of private companies, and, most important of all, the Social Security Act and supplementary State relief and protective legislation were to be extended to include the rural community. It is urgent that this programme should be brought convincingly before the farmers and alliances be made with them by local labour leaders before the elections of 1940. Already in 1938 a great block of rural votes shifted over against the New Deal, which had been unable to prevent rural income from falling by 11% during the year. Many progressive State administrations were thereby expelled, and in January, 1939, Republicans, supported by Democrats, almost all from farming States, began to cut down the Federal appropriations for unemployment relief. Here was a sinister use of the old dislike felt by farmers for paying out of their pockets for the "idle" in "corrupt" cities. It is the duty of labour leaders to prevent the dwellers outside the city from being manipulated in the interests of general reaction.

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While the C.I.O. remained a merely temporary Committée, it was natural that its whole attention should be absorbed by the narrow field of industrial organisation. But as soon as it began to take steps towards a permanent status, it announced its interest in wider questions. The delegates from C.I.O. affiliates in session at Atlantic City during October, 1937, not only denounced a number of old thorns in their sides, but went on to pledge support to legislative proposals which might come from bona-fide farmers' groups, and to outline a programme of their own protecting civil liberties, extending the scope of the Social Security Act and unemployment relief, and calling for a minimum-wage and maximum-hour law. Next April a further C.I.O. conference appointed four standing committees to direct and co-ordinate action throughout the country in four fields outside the scope of industrial action—namely, in those of legislation, housing, unemployment, and social security. At the Convention in November further resolutions were passed calling for the enfranchisement of seamen, extension of Federal aid to schools and of the Federal arts (unemployment) programme, governmental investigation of monopolies and of the problem of technological unemployment with the aim of eventual adoption of the thirty-hour week. Various benefits for civil servants were urged, and it was decided that detailed programmes of State legislation must be drawn up.

How far the C.I.O.'s demands have been met in the legislative field has been indicated¹ Important results of its active pressure can also be seen in the records of the N.L.R. Board, the LaFollette Committee, and the courts: they could be traced to the various State capitols and other Federal agencies² When the political campaigns began in the autumn of 1938, the C.I.O. possessed twenty State and 150 industrial councils in full operation. Its standing committees on social security and unemployment had set up hundreds of local bureaus affiliated to them and forming nuclei of propaganda on these topics and, perhaps more important, serving as a liaison between the man in the street and the officials administering the still relatively new legislation. The short experience

¹ *Vide supra*, Section II of this chapter, especially p. 286

² An interesting example was the purchase in September, 1938, of surplus stocks of clothes by the Federal Government for distribution to the needy—a C.I.O. suggestion

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of the new departments set up to administer New Deal social relief, and their unpreparedness for the enormous task of serving a great continent, naturally led to an uneven administration, made worse by interference from political machines and magnates in certain areas, with the result that citizens, equally unused to the new laws, might easily receive less than their due. Consequently, local relief bureaus of experts established by union groups served the valuable double purpose of inspector on behalf of the Government and watchdog on behalf of the public. They operate by keeping contact with union members thrown out of work and with other employees in their trades whom union men are urged to introduce. Unionists may remain members of their old organisations without paying dues. The bureau then arranges with Federal relief officers to accept on their payrolls unemployed unionists, a privilege not easily obtained otherwise. There is great competition for the relatively comfortable W P A relief, whose total funds, however, are limited. Other unemployed are thrown on to the county relief, on whose boards the C.I.O. tries to get unionists elected. Payments from these local authorities, usually very meagre, depend on the relief budgets State and city legislators can be persuaded to vote. These have in places been liberalised by labour pressure. Many workers retain part-time employment, which, however, is often incapable of supporting their families, yet enough to disqualify them for relief. The law entitles W.P.A administrators to accept such cases, and the union bureau will fight to supplement their earnings to a subsistence level. Again, for purposes of unemployment insurance, as distinct from relief, seasonal industries are entitled to special treatment, and the sums paid from Washington depend on the wages reported by employers. Here are matters which require expert definition and vigilance out of the reach of the average employee. Finally, the payment of insurance money is often held up for weeks through faulty administration, during which period the hungry family has nowhere to turn. The union bureau again attends to these circumstances. When the rapidity of change in the American scene is realised—during the last three months of 1937, 3 millions lost their jobs and half a million had suddenly to be accommodated by the W.P.A ; next July Roosevelt announced that W P A employees in the South would be granted

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an increase of relief which entitled about 500,000 men to ask for 5 to 11 dollars a month more if they only knew what was their due—the social value of the union relief bureau becomes evident. Its advantage to the C.I.O. unions themselves was made manifest when the business recession of 1937-38 did not drain them of their membership, but only of a proportion of membership dues. As soon as employment picked up once more, union locals had only to enter as dues-paying members a great body of work-people with whom they had kept close contact during the recession.

Parallel to the C.I.O.'s activity in the administration of relief are the measures it has taken to support the Wages and Hours Law (officially entitled the Fair Labor Standards Act). This piece of legislation had itself been forced through Congress by organised labour pressure, although John Lewis called it a "puny" Bill and neither A.F. of L. nor C.I.O. showed great enthusiasm for a law which had set out to establish a 40-cents-an-hour minimum wage and a 40-hour week, and ended by fixing them respectively at 25 and 44. In addition, organised labour was disappointed because huge categories of employee, such as domestic, retail, marine, and agricultural workers, were exempted by a hostile Congress from the provisions of the Act, reducing its range of operation from about 11 millions to less than 4 millions. After a year's grace employers must raise minimum wages to 30 cents and shorten the work week to 42 hours: thereafter minimum wages may be compulsorily elevated in suitable trades as far as 40 cents but not beyond, hours reduced to 40 but not below. Thus, the basic minima sought by the unions have become maxima, and whether even these will be reached depends on decisions made by an administrative board for each industry rather than direct fiat of Congress enforced by the Department of Justice, as had been originally hoped.

However, weakened as it is, the law marks an extremely important step forward. If upheld by the Supreme Court, it will signify the establishment of the principle that Congress should regulate directly the terms of employment in industry. The traditions of American individualism will then have been thrown overboard as much for the factory as they have already, under the Department of Agriculture, for the fields. The policy vainly attempted by voluntary co-operation under the N.R.A. will have become legally

enforceable. Within its limits—and these were stretched to their fullest by an early ruling of the Administrator, Elmer F. Andrews, who declared thousands of maintenance workers, watchmen, clerks, stenographers, and messengers to fall within his competency—and granted that the statute will be firmly and fairly administered, it possesses many advantages over its ancestor, the N.R.A. Industry is better prepared for it now, since few large industries work more than 40 hours a week. Certain marginal firms, notably in the exploited areas of the South, will be adversely affected, but discouragement of exploitation and of fly-by-night employment should bring a wholesome order into certain still chaotic branches of the national economy. The Act is less unwieldy than the N.R.A., being applicable only to inter-State commerce: in outlawing the employment of children under fourteen and protecting those above that age from oppressive work, it has set on a permanent footing the policy of its predecessor. The code authority, with very few exceptions dominated by the employers, is replaced by a neutral Administrator, who will act on the findings of boards of inquiry appointed by him and representing the employers and employees of the industry concerned and the public. If Administrator Andrews is permitted to function in the spirit of the N.L.R. Board, it may be no misfortune that enforcement has been taken out of the hands of the Department of Justice. Whether wage differentials will be tolerated between North and South, again depends on the administration. Perhaps it was a triumph that the southern reactionaries in Congress did not insist on the statute's enshrining the past. Although the national wage minimum remains for an earner in full employment only about a third of what it is estimated should be earned to provide in decency for a family of four, yet the principle that a worker is entitled to an enforceable minimum standard of life has been won.

The lesson of the N.R.A. codes was that for success they needed the backing of strong unions—by itself the Government was powerless. On the other hand, without legal remedies the unions can rarely prevent the 10% or 15% of sweat-shop employers from eluding their best efforts to introduce decent working conditions throughout an industry. The new Wages and Hours Law was designed to provide the necessary legal weapons against this small

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minority ; in its turn it relies on the pressure of unionism to work it. Thus, it needs an organised labour movement both to prevent employers' discharging work-people paid below the legal minimum if by reorganisation the company can keep them on, and also to prevent current wages from being cut down to the bare requirements of the law.¹ The fear of a strike is likely to be a more potent influence towards observance of the law than fear of employees' suing in the courts.² Workers need skilled economists to put their case for wage increases and reduction of hours in the third year of the Act, when it comes to hearings before the Administrator's boards ; on the boards themselves the interests of labour are best served if union leaders possessing an intimate knowledge of employment problems in an industry are available for appointment.

Administrator Andrews, who had served honourably as industrial commissioner for the State of New York, decided to turn his attention first to the textile industry, whose branches in the South and in other rural districts frequently pay wages so low as to offer only the equivalent of part-time employment. The Textile Workers' Organising Committee of the C.I.O. declared through the mouth of Sidney Hillman that " Labor welcomes the passage of the wage-hour bill . . . a modest beginning to improve the purchasing power of the American worker,"³ and immediately set up an office in Washington where economists and lawyers began to go into the problems of raising the industry's wage-structure. In December the employers' associations in the trade applied for a special exemption by which new employees might be paid during a nine-week " training period " 30% less than the legal minimum. The unions opposed this request, and the employers were finally persuaded to withdraw it. The decisions of committees so far given after hearings in the textile trade recommend increases of wages for some 166,000 workers and, very significantly, omit a differential wage for the South—an improvement on the N.R.A., which allowed southern differentials in its codes.

¹ During October, 1938, the American Communications Association, C.I.O., had to act in both these directions against the two great U.S. telegraph companies.

² According to the Act, workers may sue their employers if they suspect that they are victims of its infringement. If they are upheld in court, they are due to receive twice the amount of wages withheld and must also receive from the employer their legal fees and costs.

³ Quoted in the *C.I.O. News* of June 18, 1938

Employers have shown, it is said, a willingness to abide by the Act's provisions, evidence both of the wide acceptance of the need to maintain popular purchasing power and also of the road that has been travelled away from "rugged individualism" since the boycott of the N.L.R. Act, a short two years past, under the leadership of the Liberty League lawyers. Only 300 violations of the Act were reported in the first month of its functioning. Taxed with these, the employers confessed to error and shrank from going to law against the Administrator. In March, 1939, he began successful legal proceedings for wilful violations. What is needed most immediately is clarifying amendment of the Act by Congress in order to facilitate certain sides of the administration, together with supplementation by the States, who must pass wage-hour Acts of their own for intra-State commerce. Further judgment of the Act's economic and social value lies with the future.

What has now been said about the C.I.O.'s concern for wider issues than those traditionally of interest to American unions—for example, its action on behalf of the unemployed and in co-operation with the Wages-Hours Law—is to some extent true for the remainder of American unions today. Lewis and his men, however, have very definitely taken the lead, gone farthest, and shown themselves most capable of a constructive approach to the opportunities ushered in by the New Deal. That unions should step outside the narrow sphere of industrial action and take the lead in social and political matters, take joint action about civil liberties, or enter the lists on behalf of projects of general interest—side by side with farmers' and middle-class spokesmen, for instance, in the matter of housing and relief—is of paramount importance in America today. Only by accepting such responsibilities can unions finally recommend themselves to middle-class and agricultural opinion. Only by following out the implications of their policy in the sphere of social and political action—by recognising, for example, that not only must wages be raised, but that a relief and a cure must be found for the unemployment that may thereby be spread—only so can a labour movement today, in the nature of our economic environment, hope to make even its industrial policy effective. A positive and constructive labour movement must therefore be forged for political action. Traditionally, it has been

shown, the U.S.A. unions were not of this character. Their main concern was to remain outside the range of the law; their political aims were to further this aloofness. They naturally laid themselves open by this attitude to accusations of selfishness and racketeering. Today the social scene has changed; a better course lies to hand, and the C.I O., although for the most part so far absorbed in establishing its foothold in mass-production industry, has shown signs of appreciating it. The chances of a successful political labour movement remain to be assessed

CHAPTER 6

CONCLUSION

If any lesson is to be drawn from the foregoing pages, it is that a successful labour movement depends on winning over, or at least neutralising, the wielders of political power.¹ Of these the most important is the executive, which can both take the initiative in introducing and pressing legislation, and can appoint and influence the judiciary. The courts tend to follow election returns, or open themselves to a spring-cleaning if they lag too dangerously behind. It has been as much due to the presence of pro-labour governors in the Middle West States as to the occupancy of the White House by Roosevelt that the C.I.O. has succeeded in penetrating the mass-production industries with so little disturbance and bloodshed. Only where the capitol has been indulgent to the claims of the worker has State legislation been passed implementing the measures of the New Deal issuing from Washington. Governors Murphy of Michigan and Townsend of Indiana, who presided benignly over the rise of the United Automobile Workers, were able to prevent the local authorities using violence by request of the companies against the picket line and the sit-down striker. But because they had hostile legislatures, they were unable to get passed satisfactory industrial relations or social security legislation. Under their predecessors, however, trade unions had had not only to face inimical legislators, but inimical troops.² While Governor Earle of Pennsylvania was promoting a labour code, his counterpart in Ohio was allowing the unemployed to starve and hiring men like the Rev. Gerald Smith to work up anti-Communist and anti-union feeling in election centres. The Governors of Illinois and Tennessee have remained neutral, those of New York and

¹ *Vide supra*, especially pp 55, 56, 333-34

² A most notorious instance was when Townsend's predecessor, McNutt, declared a period of martial law in Terre Haute in order to break a general strike *Vide supra*, p. 138.

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the Farmer-Labor Party States of Wisconsin and Minnesota notably favourable, towards the aspirations of labour. The same contrasts could be found in other, but less industrially crucial, sections of the country. When, in 1938, the electors of Los Angeles had recalled their anti-labour mayor and elected Fletcher Bowron in his place, the notorious Red Squad of the city police, old intimidaters of unions and liberal groups, was disbanded. While lynchings continued in neighbouring States of the South, Governor Graves of Alabama, supported by the unions, protected Negroes with troopers. In January, 1939, Governor Olson, newly elected by labour votes in California, was releasing Tom Mooney, labour martyr, from gaol, while the courts in Maine were incarcerating nine members of the United Shoe Workers to remind the nation that "Mooneyism" still lurks in corners of the continent.

Moreover, in a no longer expanding economy a labour movement must not only secure by legislation conditions favourable to industrial action, or establish directly by political action favourable terms of employment: it must also concern itself intimately with the nation's economic policy as a whole, in order that any employment at all may be maintained, and that the out-of-work should find a reasonable security and subsistence. Without the latter, two evil results ensue: economic standards in a narrower sense of those employed are menaced by such things as "dilution" of union labour, sweat-shops, and "run-away" business; more important still, but less immediately obvious, is the creation of an atmosphere in which the dispossessed lose their mental and physical morale and become desperate, while those in possession of property or income grow more and more afraid of losing their means of security, economise on taxation, and apply forceful repression to signs of discontent. In such an atmosphere the peaceful practice of a democratic way of life can hardly be retained: the door to a form of Fascism lies open. It has already been mentioned that since 1930 American unemployment has continued to fluctuate between 7 and 15 millions. In the spring of 1938, during the business recession, it was estimated that some 6 million families—about one in seven—comprising about 20 million individuals, were in receipt of public relief of some kind. Since then there has been a measure

of recovery, but not such as to reduce unemployment below about 8 million or more. A decisive turning-point in business, either up or down, seems unlikely to appear in the predictable future. In other words, the U.S.A. must accept the fact of a permanent burden of unemployment.

Yet, the social-security programmes of insurance passed by the Federal and State governments hardly touch the problem. Direct relief, either by way of public works or a "dole," has to rescue the great majority of indigent. The difficulties of raising taxes for unemployment relief from farmers and middle classes who have not yet accepted the permanence of the problem have already been mentioned*. They remain as acute as ever, subject to the play of party politics in which conservative representatives constantly seek to curtail relief funds in deference to the pockets of their well-to-do constituents, while State and Federal executives who have to meet the problem of unemployment face to face and administer for it strive as ceaselessly to enlarge the funds. Uncertainty and faulty administration are the inevitable result. In the spring of 1938, for example, great cities like Chicago and, in Ohio, Cleveland, Dayton, Columbus, and Toledo had exhausted their relief revenue, and legislatures would pass no more. More than a million citizens would simply have died of starvation had not the Federal Surplus Commodities Corporation bought up agricultural products and distributed them free to the food queues. More than 2½ million men were on W.P.A. or Federal relief, earning on an average 47 dollars a month. At least as many more throughout the country had to subsist on county funds, whose niggardly scale ranged monthly from 5 to 6 dollars per family in southern States like Georgia and Arkansas, to between 8 and 12 in the Middle West. The hosts of migrants living in a sea of mud in the San Joaquin Valley of California depended on food distribution from Washington. It is estimated that over 20% of America's permanent unemployment now consists of young people between the ages of 15 and 24. Brought up on the theory that they will rise in the economic scale by exerting their efforts, they are bound to become exceptionally demoralised when they cannot even find a job on leaving school, and have faint hope of ever settling in one. It is

Vide supra, pp 52 and 53.

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hardly surprising to learn, that, precisely in those States where unemployment relief is not taken seriously by legislators, the enforcement of labour law is starved by lack of funds. Thus, by December, 1938, in Ohio, the State industrial relations department had to suspend mine, factory, building, boiler, and minimum-wage inspectors. The life and limb of the worker were being denied proper protection.*

Roosevelt himself has not been steadfast against those who, in order to evade taxation, have urged balancing the budget by cutting the wherewithal of social security. In his budget message of January, 1937, the President hoped to save 35% of current relief funds during the coming year. In December the proposal was before Congress to balance the 1938 budget by reducing W.P.A. funds by 500, and C.C.C. funds by 75, million dollars. About that time unemployment had risen to 12 millions, and things became so desperate after the turn of the year that Congress was forced to appropriate 250 millions for relief in February. A few weeks later, such was the desperation in New Jersey that a relief officer was murdered in Hoboken. Doles were immediately liberalised in that haunt of reaction and Mayor Hague. During this period of industrial dislocation and social misery, the only concern of the business leaders, both small and large, who visited Roosevelt in the White House, and of their spokesmen in Congress, was to press the Government, now thought to be growing unpopular, to reduce the taxation on capital and large incomes, and rescind the restrictions which had been placed upon the notorious behaviour of the New York Stock Exchange. The policy of the Republican and Democratic reactionaries has been ever since, and will continue to be, to cut Federal relief funds, cut taxation, and throw the unemployed on to precarious State, city, and county budgets, where they will be lucky to receive even a sub-human rate of poor relief. Congressmen have, however, learned since 1937 that such policies are bound to lose votes at home. Their tactics have therefore changed, since the elections of the autumn of 1938, to the making of promises in their constituencies by which the voter is led to expect a higher rate of relief than even Roosevelt has dispensed, and then to cut down the funds in Washington by a

See United Mine Workers Journal, December 15, 1938.

procedure such that it is not clear to the public which individuals voted for the cuts. Here, then, can be discerned an extremely dangerous atmosphere of social insecurity, perpetuated by selfish interests using anti-democratic procedures more reminiscent of European Fascism than American parliamentary responsibility.¹

"Unemployment," declared the president of the C.I.O. electrical workers,² "is the greatest question facing union members." But so far, beyond engaging in the election of congress-men who may or may not respect their election pledges, and beyond writing letters to representatives who may or may not consider them, the American labour movement has been able to do nothing towards setting unemployment on a proper statutory and administrative basis. The expression of organised labour in the political field remains still elementary.

Since the working-man's vote turned the scales so decisively in favour of the New Deal in the presidential election of 1936, no elections have taken place in which the national question then cutting across party labels—for or against a policy favourable to social and pro-labour legislation—has been to anything like the same degree prominent in the minds of voters. It is difficult, therefore, to draw any clear lesson from election returns as to whether Roosevelt's social policy or the programmes put forward by the unions are winning or losing support at the polls. Certain facts do, however, stand out and suggest certain conclusions. In mayoral and city elections in which the forces of the C.I.O. and A.F. of L. have joined hands in support of one candidate or set of candidates, as in New York, Akron, Pontiac, and Clairton—all strongly organised cities—then these candidates have been elected. But where, as in the equally strongly organised Detroit and Seattle, each group of unions supported opposite candidates in the polls of February, 1938, a third candidate backed by neither side had the victory.

In October, elections took place for thirty-three State governors, and in the Federal field for thirty-seven Senators and 433 Representatives. Here the chief factor, it has already been said, proved

¹ A similar tendency has already been noted in the arbitrary behaviour of the Rules Committee. *Vide supra*, p. 286

² See *C.I.O. News*, January 16, 1939

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to be the chagrin of the farming community, which voted against Roosevelt because he had not been able to maintain the prices of agricultural goods. A further element of confusion was introduced by the prominence of local issues and personalities, and by the internecine struggle of party machines—the Republicans aiming first to eject the Democratic machines, which now controlled forty-one States, while Democratic State machines sometimes had to contend with the private organisations of a city boss like Crump of Memphis, Tennessee, sometimes with the national Democratic machine under Postmaster Farley, which often supported New Deal candidates far to the left of the State Democrats. Out of the struggle the Republicans emerged with a much larger minority in both Houses of Congress, and with a net gain of ten governorships. In this latter *mêlée* progressive and pro-labour governors were rejected in the crucial States of Wisconsin and Minnesota, and in those of Pennsylvania, Ohio, and Michigan. The farmers seemed chiefly responsible in Wisconsin and Minnesota, partly frightened by the radical pro-labour sympathies of the Governors, partly tired of the long innings of the Farmer-Labor Party, partly, also, the urban vote abstained from supporting Phil LaFollette in Wisconsin because he had criticised the New Deal by trying privately to form the nucleus of a national third party. In Ohio the farmers were responsible; in Michigan it was a straight fight against Murphy's pro-labour attitude and his support for Federal intervention; in Pennsylvania quarrels within the Democratic Party, inflamed by the C.I.O. and A.F. of L.'s taking opposite sides, cleared the way for a Republican victory and a declared reactionary Governor. On the other hand, pro-labour administrations survived in the industrial States of New York, West Virginia, Indiana, and Illinois, and won California and Oregon (although the Governor of the latter belongs to the Republican Party). More obviously direct victories for a pro-labour and New Deal programme occurred in the elections of the Senator for Florida and the Governor for Alabama—the latter aided by the enfranchisement of 900 Negroes in Birmingham—and in the defeat of two members of the notorious Rules Committee of the House of Representatives. On the whole, ardent New Dealers seemed to fare better than lukewarm ones, but it was significant

that no single outspokenly anti-New Deal senator was unseated. The American Labor Party, a direct organ of the unions functioning in New York State, plainly held the balance between the old parties, and was therefore responsible for the return of La Guardia as Mayor of New York and Lehman as Governor, but it did badly as far as State assembly-men were concerned, so that the Republicans regained control of the State Senate and retained it over the House. It must be remembered that not all Republicans will prove anti-New Dealers, a fact which again complicates an assessment of the returns. On the whole, however, it may be permissible to draw the lessons that while the membership of the A.F. of L. and C.I.O. do not vote together, the strength of organised labour is bound to be dissipated; and that in the key industrial States the unions will have to go much further in building up an electoral organisation capable of putting their case effectively before the middle-class and rural voters and of educating them sufficiently to neglect local and side issues with which the opponents of labour plentifully obscured the campaigns.

There can be no question that the conservatives are about to press home the success they have already had in obstructing Roosevelt's policies since 1936, and about to develop it into a counter-attack against civil liberty and industrial democracy on all fronts. In 1936 the Democrats were still fairly well behind Roosevelt, the strategy of the Republicans was to put up a colourless leader and base their campaign on criticism and vilification of Roosevelt. Since then, the anti-New Dealers in both the traditional parties have come out into the open and seem to have decided upon a fairly uniform new strategy. A candidate is put up who will make liberal and "common-sense" pronouncements and catch the ear of groups which are in general behind Roosevelt, but will vote for an opposing candidate if he promises some concession of special interest to them. Such groups are the Townsendites, supporters of more generous old-age pensions, who elected in 1938 at least forty-one of the new Republican candidates to the House and endorsed six of the new senators, such again are the A.F. of L. officials who were able to swing a certain proportion of their rank and file followers against New Deal candidates in the hope of injuring the C.I.O. On these lines it might be expected that the

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reactionaries will try in 1940 to persuade some popular figure like La Guardia, Mayor of New York, a man of known liberal inclinations, to stand against the New Deal candidate for president and attract away from him many liberal and labour votes. Next, when such a candidate is elected, he promotes or has to tolerate measures which may have some verbal resemblance to his election pledges, but turn out in fact to be simply reactionary. Occasionally a candidate may desire to respect his pledges, such as Harold E. Stassen, elected Republican Governor in Minnesota on a liberal programme. He has shown reluctance to obey his conservative backers in control of the Republican machine who are, among other things, pressing through a labour relations Bill which will cripple the unions. But American history shows that men like Stassen are soon brought to heel.¹ A typical programme offered by such candidates was put before the electorate of Georgia by the arch-conservative Senator George. "The most important thing," he declared on November, 12, 1938,² "that the next Congress can do for this country is to give assurance that we have not reached the point where we must regiment business in the United States." Put the clock back, then, to the chaos of unregulated business enterprise, hoping to attract industry to the exploited areas of the South. A concrete proposal the Senator urged to this end was "modification" of the N.L.R. Act and "changes" in its administrators—i.e., put an end to protection of union organisation. Furthermore, relief must be "removed so far as humanly possible" from politics—which, being interpreted, would mean taking the relatively clean administration of Federal relief out of the hands of the Federal Government and Harry Hopkins, and handing it over to the local bosses or local representatives manipulated by bosses, so that business and the magnates in each district may rid themselves of the irksome hand of Washington. Similarly, the farm programme is to be "revised" in the direction of less "rigid

¹ Despite the "liberal" pronouncements of many national Republican leaders and members of the Republican National Committee, the control of the Party during the elections of 1938 plainly remained in the old reactionary hands, still dominated largely by Herbert Hoover. It may be that the Party will have a difficulty in preventing the "old guard" from restoring 1932 and 1936 tactics in 1940, and putting up Hoover again for President. However, the newer strategy is likely to prevail, since it will also have the support of the conservative Democrats.

² Reported in *New York Times*

control"—i.e., less impartial administration from Washington and more power in the hands of local interests. The electorate has yet to learn what such fair-sounding proposals would mean when put into operation by conservatives.

It is possible, however, that they may learn by bitter experience in many districts, even before 1940. The archetype of anti-union legislation was provided by the Oregon Bill, approved by a referendum, as a result of which cuts in the wages of many types of retail workers have already been enforced and union protests suppressed. Of the two Farmer-Labor States, Wisconsin seems already more seriously under the sway of rampant reaction than Minnesota. Governor Heil, a Milwaukee industrialist, has sworn, like the new Governor of Pennsylvania, to wipe off the statute-book all the reforms of the recent progressive governments. He has begun with the reorganisation of the State Civil Service carried out by LaFollette, while the legislature passed a Bill as ruinous to union liberties as that of Oregon. A similar law has been introduced in Michigan, and in New York efforts have been made to insert in the Bill for transferring transport systems to State control a proviso that no union activity shall be permitted on them. Attacks against the unions rage within State capitols from California to New Jersey.

In the Federal sphere things are no better. Congress has insisted on prolonging the red-baiting Dies Committee, and is holding hearings on the N.L.R. Act with intent to ruin it. When Senator Barkley proposed to amend the National Defense Bill in such a way that government contracts should be withheld from companies convicted of unfair labour practices, the N.A.M. reminded Roosevelt of his promise of "business appeasement" and had the amendment suppressed. Steel firms are thus invited by Congress to persist in defying the N.L.R. Board and the law, hoping Congress will clip the wings of each before long. The W.P.A. appropriations demanded this year by the President have been cut down by Congress despite the pleas from city mayors that local funds are exhausted. It was Democrats from farming States who, deserting from the President's side, turned the balance in these debates. Yet the majority vote in Congress represented in fact $8\frac{1}{2}$ millions less people than those represented by the defeated

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minority. The debates themselves displayed many deplorable lapses from democratic principle—amendments were introduced to deprive W.P.A. workers of the right to vote and to forbid Federal relief to members of unions, ex-strikers, and “other associations engaging in political activities”—and their result may be near-starvation for many thousands. Finally, the Supreme Court, emboldened by these reactionary trends, has allowed its natural dislike for all that the New Deal stands for to rise to the surface. In the decisions rendered on February 28, 1939,¹ the majority virtually rewrote the N.L.R. Act. It realised the worst fears, already mentioned,² that means would be found to drag unions from the jurisdiction of the Board into the courts, thus ignoring the clause in the Act that “the findings of the board as to the facts, if supported by evidence, shall be conclusive.” The Supreme Court decided to overrule the Board at any point it pleased. Again, the Court reversed its earlier attitude in supporting the Act and laying down that employers must bargain collectively with their employees as such and irrespective of any misbehaviour, such as engaging in sit-down strikes or damaging property, which may be punished under other laws.³ Any “breach of contract” or “tortious conduct” on the part of employees now deprives them of their rights under the N.L.R. Act. That is, employees may be dismissed by their employers for practically any excuse so long as that excuse is not the fact of their engaging in union activity. Unions can thus be broken by discharging their members on trifling grounds, which moreover are not to be accepted or rejected by the N.L.R. Board, but by the courts. Should the Court continue in this frame of mind, what need have the business interests to change the text of the Act itself in Congress? These decisions against the spirit of the Act and against the labour movement were only made possible by the concurrence of judges who in 1937 had been considered liberal and in favour of all that the New Deal stands for. Dissent was shown by Roosevelt’s two appointees, Black and Reed, alone. Since then, two more appoint-

¹ In the *Fansteel*, *Columbian*, and *Sands* cases. *Vide supra*, p. 342

² *Vide supra*, pp. 281 and 282

³ The existence of this attitude can be inferred from the Supreme Court’s refusing to review the findings of the Ninth Circuit Court of Appeals in the *Carlisle Lumber* case and of the Second Circuit Court in that of *Remington Rand*

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ments have fallen due, but Roosevelt's nominees remain in a minority of one.

To meet this far-flung counter-attack there exists Labor's Non-Partisan League. This organisation came into being for specifically political purposes, although financed and managed by the unions, and served to marshal the labour vote behind Roosevelt in 1936.¹ Its members were almost exclusively trade unionists, and its avowed purpose was to carry on the ancient plan of the A.F. of L. but more energetically—"reward your friends and punish your enemies" Where the League and its New York branch, the American Labor Party, functioned, the machinery at its command seems to have worked quite as well as that of the traditional parties. Roosevelt's formidable majority must largely be accredited to it. After this, however, two significant departures from normal A.F. of L. practice occurred—it was decided to make the League's electioneering machinery permanent,² and spread it as far as possible throughout the country, and in local electoral contests towards the end of 1937 the League began putting up candidates directly responsible to it alone. These latter have been relatively few, it is true; but they proved that the League was going beyond the principle of non-partisanship because it was creating little local labour parties. In the autumn elections of 1938 it was much debated whether the New York Labor Party would not put up a list of candidates of their own for the various State offices. They relied, however, on the traditional policy of endorsing individuals from the old parties and, largely by consequence, did considerably worse in New York city itself than they had had reason to expect. This setback may easily cause them to put confidence in their own candidates next time.

George L. Berry, the Pressmen's Union president, was left in charge of the League in 1937, presumably because he was a *persona grata* to both A.F. of L. and C.I.O. leadership. Little development could be discerned until E. L. Oliver replaced him in the summer of 1937. Meanwhile workers throughout the country were aroused by the Supreme Court controversy, and by the spectacle of their votes for Roosevelt being nullified by the pressure

¹ *Vide supra*, p. 89.

² Mentioned above on p. 89.

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of business on Congress. The organisation of the League was therefore used to exert pressure behind Roosevelt, and there followed the unexpected reversal of Supreme Court decisions. Next, the League spread to further unionised districts, affiliated with farming groups, and began to accept members on the basis of individual membership as well as through that of affiliated bodies. Most of the funds seem to have come from the C.I.O. ; but the great majority of A.F. of L. unions supported the movement, as well as the independent railway brotherhoods and the Workers' Alliance.* Legislative programmes were worked out for each State, and many of their demands realised. Elsewhere the League fought side by side with liberal bodies against local autocracies such as that of Pendergast, boss of Kansas City. In this direction, and in preventing legislatures and Congress from passing measures harmful to labour, the League has probably found greatest success. This is precisely what is to be expected from the record of A.F. of L. non-partisan politics in the past.

Despite a membership running into hundreds of thousands in many States, the League showed its weaknesses in the elections of 1938. Since then the C.I.O. and many co-operating A.F. of L. locals have strengthened the League's efforts in the political field. One direction has been to get new voters to register so that they may exercise their vote in 1940 ; another has been to attract workers of all types and incomes who are not already in the union fold. In other words, the League is working itself into a national organisation so broad that it can rival those of the traditional parties. The effect of this latest drive, together with a disillusionment which may already be infecting the country now that the true drift of the 1938 elections is beginning to be realised, has been a triumph for the labour vote in city elections during April in Los Angeles, Chicago, Baltimore, and Pontiac.

How is the enlarged League to be used ? Is it to act in 1940 as in 1936, and support a Democratic nominee for president and vote for progressive individuals as congress-men ? Or is it to make a bold break with tradition and form a third party with its own candidates ? There seems little doubt that the former course will be pursued if the Democratic Party convention in 1940 remaining in

* Union of the unemployed.

the control of the New Deal elements, one of Roosevelt's nominees is chosen to run for president. If there seems a reasonable chance of this, the League will support the Democrats as remaining on the whole a party of reform. There is, however, every reason to suppose that the conservative elements will strain every nerve to rob the Rooseveltian faction of control. With this possibility in mind, John Lewis called upon the Democratic Party on November 12, 1938, to "clean house of its Hagues and Daveys" if they wished to forestall the formation of a single party of all progressives. Conferences on this latter project were already being held by Mayor LaGuardia of New York, and New Dealers like Governor Murphy of Michigan and Senator Bulkley of Ohio who had that week been defeated at the polls. Should Roosevelt himself, defying the unwritten law that no president shall stand for election a third time, offer himself as the Democratic candidate in 1940 and risk the storm his opponents would inevitably raise, his party might well be unable to reject a man of his prestige, the otherwise triumphant conservatives might be routed, and he would almost certainly be sent by the country to the White House a third time. The League would support him—already many unions have endorsed him for a third term in their conventions.

" If by remaining under the influence of New Dealers the Democratic Party made it easy for the League to support it, the question, however, still remains, would it be better for the labour cause to launch out into a third party—a national labour party? Against this departure can still be urged the powerful deterrents outlined in Chapter 2—in particular the size and variety of physical, racial, and lingual contrasts throughout the continent, and the obstacles presented by the direct primary and the rigid political structure of the commonwealth of States. In addition, while the A F of L leadership in its present mood seems certain to oppose any cause espoused by the C.I.O., it might be that the rank and file from A.F. of L. unions would more readily join a national labour movement if it took the form of "non-partisan" action than if it represented a new departure launched under the main impulse of the C.I.O. and thus more plausibly labelled as dangerous. Again, as in Great Britain, the farmers and middle classes might take fright at the name of labour party, making it virtually impossible for a

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progressive movement under that title ever to gain a clear electoral majority. Far better to allow middle-class progressives like the LaFollettes or Roosevelt to lead a wide movement under whose cloak the forces of organised labour can get passed, with general consent and support, their own measures. After all, to think back over Roosevelt's two administrations must be to acknowledge what immense strides the labour movement has already made by just such an alliance—much as the British unions made very rapid gains under the Liberal governments before the War in contrast to their later experience under the Labour Party. Finally, there exists to-day an abnormal, if temporary, inconvenience to budding third parties—the fact that their natural foundations in the Farmer-Labor Parties of Wisconsin and Minnesota are for the moment in a weak position. Even those attempts at a national third party which after the War could rely on powerful roots in the Middle West came to grief.

On the other hand, arguments in favour of a clean break with the old parties are stronger now than they have ever been, and likely to grow stronger. It has already been shown that Labor's Non-Partisan League has been forced to put up its own candidates in certain localities. It may not always be possible to find progressive individuals in the other parties ready, especially after their election and when the stage of promise-making is over, to give voice to labour's demands. The five candidates, for example, from the New York Labor Party, elected in 1937 to the State legislature, were essential for the purpose of giving "Mayor LaGuardia representatives in the Legislature for bills for which he otherwise would have had difficulty in procuring sponsors. The Republicans offered him little aid." * Again, the League has recently experienced all the mortifications bound to befall those who vote into power men partly, if not mainly, responsive to other ties. When the League was eager to have the Wages-Hours Bill passed, it was scant satisfaction to be able to circulate assiduously the names of Congressmen who voted against the measure. "Punishing your enemies" is certain to remain on the whole a policy of bolting the door after the horse has fled, unless genuine disciplinary measures among representatives intimately dependent on a party can be

* Dispatch by Warren Moscow from Albany, in the *New York Times*, March 19, 1938.

carried out. It must have been humiliating to thoughtful working men that in 1936 their League and their unions had to become a mere adjunct of the Democratic Party, and cast their votes for a man who offered them no specific pledges at all.* As Norman Thomas, leader of the Socialist Party, put it: "Please don't tell us, Mr. Roosevelt, what you will do if re-elected, for then we might not be able to vote for you so happily; leave us hope at least."

In proportion as the sentiment of "rugged individualism" has receded since 1930 and classes have begun to draw apart, a fundamental obstacle to national third parties has tended to weaken. The unions are no longer conscious only of hostility to the Supreme Court, they are looking for some leadership to supersede the National Association of Manufacturers, which has no programme for abolishing cyclical or technological unemployment and seems intent only on putting the clock back. The business leaders, for their part, have proved the unrealism of Roosevelt's theory of business-labour-government collaboration, pushed him, however unwillingly, into championing the cause of the unions, and maintained an unremitting hatred of the New Deal. "Appeasement" of business by the latter seems out of the question; its survival therefore depends on enlisting the support of labour. Growing consciousness of these facts has already widened the fissure between conservatives and progressives in Roosevelt's own Party to a highly visible extent, it is beginning to work in the same way within the Republican Party. As time goes on and business prosperity accompanied by full employment is not regained, these fissures will become gulfs. Most Southern Democrats have fought against the majority of their party leader's measures, yet fifty-six southern members of the House voted in favour of the Wages-Hours Bill—a measure above all designed to ruin the economy of the South, it was said: "liberal" Republicans are struggling with the "old guard" for control of the New York State machine; even small groups like the Townsendites and the Wisconsin Farmer-Laborites are showing splits between their left and right wings. Has not the time already come to gather all progressives out of the prevailing uncertainty into a strong united party? Roosevelt's educational campaign during his tour of the country in

Vide supra, p. 90.

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1937 was meant to bring home the national economic question underlying all this indecision and confusion¹ The elections of the autumn of 1938 showed what vital need there is of such education if votes are not to be cast on local side-issues instead of dividing on the great national issue of industrial democracy. A new united party of progressives with a clear-cut policy of its own seems the obvious instrument for such education. Not only would it alone seem best capable of capturing the imaginations of the working classes, but since the "white-collar" worker has also proved the utility of industrial unionism to his needs, he too might reasonably be supposed to give wide support to a third party sponsored by labour. More important still, middle-class prejudices against "business" unions as racketeers can best be allayed by a show of constructive action within the political sphere, sanctioned by law and custom.² It has already been said that the American middle classes are not separated by a cultural and mental chasm from the working classes, as they are in Europe; ³ to a lesser degree, however, is this true of the farmer, and the first problem of a labour party would be to conclude pacts with him—as the successful Farmer-Labor Parties of the Middle West have already proved feasible. In the present situation support by Labor's Non-Partisan League for, the Democratic Party would be infected with an air of unreality; for it would assume that the Democrats, the party of the South traditionally willing to score off the northern manufacturer, and therefore to give ear to the complaints of labour, but today mainly allied with northern business interests against the labour programme of the New Deal, remain labour's natural ally and friend. The truth is becoming plain, that a minority in each of the old parties will listen to the unions, but the great majority, except under strong pressure, considers itself of the opposite camp. It would be more honest to acknowledge this fact, and throw labour's lot in with neither party.

The new attitude which has swept through the unions themselves since 1930 has made any generalisation from the past and from the constant failure of previous third-party movements very unreliable

¹ *Vide supra*, pp 284 and 285

² *Vide supra*, Chapter 2, Section III.

³ *Vide supra*, p 82.

in the present juncture. The unions have rapidly outgrown short-term business objectives; they are increasingly embracing social ideals which are of vital importance for the country as a whole, and which both deserve and need a national platform. Traditionally, third parties have been born out of the West and out of its habit of wild, untutored, ephemeral enthusiasms. They quickly pass away, open to exploitation by the first demagogue. A sort of religious outburst innocent of sound organisation has characterised them—even the movements of the post-War era. But today the union organisations which have shown themselves capable of disciplining and holding the semi-skilled and unskilled, offer foundations of a totally different nature, both deeper and broader than anything known to American history.* The American temperament has never been hide-bound, but moves naturally in an atmosphere of experiment: today opinion is more than ever fluid, looking for direction. America is used to rapid sequences upon the political stage—in 1840 the Whig and Democratic Parties seemed firmly in power: then James G. Birney launched his anti-slavery candidacies, apparently doomed to failure: by 1856 the Free Soil Party arose to challenge the slave-holders of the South: four years later the Republican Party rose to power and the Whigs disappeared. This was the reaction to a pressing national issue. A similar issue has arisen today, and transition to an independent labour party does not, in the U.S.A., seem premature nor would it seem insecurely based upon the new unionism.

While, then, bold action on the part of progressives might seem to strike the true note in response to underlying economic realities and America's long-term needs if she is to survive as a vital democracy, practical politics in the immediate future may counsel caution. The hostility between organised labour's two branches has to be considered, and the risk that if the representatives of business and southern landlordism won too decisive a victory in 1940, they may have learned the lesson of the New Deal so well as to try and engineer a crushing blow against the aspirations of industrial democracy and civil liberty. Economic conditions at home and abroad will probably prove the key to the puzzle: relative prosperity in 1940 would strengthen Roosevelt's hold over the

* *Vide supra*, pp. 74 ff., for previous absence of such foundations.

CONCLUSION

Democratic Party convention, allay labour discontent, and encourage a non-partisan policy for the unions. Business depression would sharpen animosities and loosen ties. Then anything might happen. Over all hangs the great imponderable of European political vagaries and their repercussions across the Atlantic.

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